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PORT OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

REGULAR MEETING WEDNESDAY
4:00 P.M. JANUARY 12, 1994
3100 FERRY BUILDING,
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES**

3. **EXECUTIVE**

   A. Election of Port Commission Officers

4. **CARGO SERVICES**

5. **TENANT SERVICES**

   A. A request to include the amending of a requirement to provide insurance specified by Port lease as part of the real property negotiations ongoing with Southwest Marine, Inc. (dba San Francisco Drydock) for resolution in Executive Session.

   B. An executive session has been calendared to discuss real property negotiations between the Port and southwest Marine, Inc., a California corporation at Pier 70. This is specifically authorized under California government Code section 54956.9.

3 1223 05465 4802

6. PLANNING DEVELOPMENT & COMMUNITY AFFAIRS

A. Resolution approving a professional services contract with James Stewart Polshek and Partners for preliminary design and feasibility services for the renovation of the Ferry Building.
Resolution No. 94-4

7. INTERNAL SERVICES

8. LEGAL

9. NEW BUSINESS

10. ADJOURNMENT

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Meeting Date: January 12, 1994

Agenda Item: 5-A

Resolution No. 94-2

SUBJECT: A request to include the amending of a requirement to provide insurance specified by Port lease as part of the real property negotiations ongoing with Southwest Marine, Inc. (dba San Francisco Drydock), for resolution in Executive Session.

SUBMITTED BY: Michael Janis, Director, Tenant Services

AGENDA CLASSIFICATION

___ Executive
___ Cargo Services
X Tenant Services
___ Planning and Community Affairs
___ Internal Services
___ Legal

BACKGROUND:

See attached memorandum from City and County of San Francisco Risk Manager, Mr. Keith Grand. This item was continued from the December 21, 1993 Commission meeting calendar, however:

1. Given the integral nature of this issue as it relates to the ongoing negotiations between the Port and Southwest Marine, Inc. a California corporation at Pier 70, and

2. The Commission's expressed preference for addressing this issue within the framework of these same negotiations,

RECOMMENDATION: Staff recommends incorporating this action into the ongoing real property negotiations with Southwest Marine for resolution in Executive Session as specifically authorized by California Government Code 54956.9 .

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	___ Motion	Date: _____
	X Resolution	Approved: _____
	___ Ordinance	Disapproved: _____
	___ Information Only	Continued: _____

_____
Secretary

AC/fj/L:adnda94

CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-2

WHEREAS, South West Marine, Inc. ("SWM") entered into a lease of certain piers and drydocks located at Pier 70 (the "Premises") with the Port in December of 1987 for a term of thirty years (the "Lease"); and

WHEREAS, SWM utilizes the Premises for repair of naval and other ships and boats; and

WHEREAS, due to cuts in defense spending and other economic factors the ship repair industry has come under severe financial strain; and

WHEREAS, the Port is working with SWM in an effort to limit SWM's obligations under the Lease in order to facilitate the continued viability of the ship repair industry in San Francisco, which in turn will serve to benefit the work force and the economy of the citizens of San Francisco; and

WHEREAS, the Port Commission has determined that in order to relieve SWM of some of its financial obligations under the Lease, it is willing to consider amending the insurance provisions of the Lease; and

WHEREAS, Charter Section 3.581 empowers the Port Commission the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco;

NOW, THEREFORE, BE IT RESOLVED, that the Port Commission finds that it is in the best interest of the Port as well as the citizens of San Francisco to consider the merits of amending the insurance provisions of SWM's existing lease, and incorporate this action into the real property negotiations with SWM for resolution in executive session as specifically authorized by California Government Code 54956.9

I HEREBY CERTIFY that the following resolution was approved by the San Francisco Port Commission on January 12, 1994.

_____

Commission Secretary

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Meeting Date: January 12, 1994

Agenda Item: 5-B

SUBJECT: An executive session has been calendared to discuss real property negotiations between the Port and Southwest Marine, Inc., a California corporation at Pier 70. This is specifically authorized under California Government Code Section 54956.9

SUBMITTED BY: Michael Janis, Director, Tenant Services
Veronica Sanchez, Manager, Government & Legislative Affairs

AGENDA CLASSIFICATION

___ Executive
___ Cargo Services
_X_ Tenant Services
___ Planning and Community Affairs
___ Internal Services
___ Legal

BACKGROUND:

See attached staff report written only for Commissions' information and discussion during Executive Session as authorized by California Government Code 54956.8.

RECOMMENDATION: This item is for information and to solicit Commission direction and advise on-going negotiations with Southwest Marine, Inc.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	___ Motion	Date: _____
	___ Resolution	Approved: _____
	___ Ordinance	Disapproved: _____
	_X_ Information Only	Continued: _____

_____
Secretary

AC/fj/L:agendash.94

BACKGROUND REPORT

EXECUTIVE SESSION
SAN FRANCISCO PORT COMMISSION
ON REAL PROPERTY NEGOTIATIONS BETWEEN SOUTHWEST MARINE, INC. AND THE PORT OF SAN FRANCISCO FOR PIER 70 FACILITY
AUTHORIZED UNDER CALIFORNIA GOVERNMENT CODE SEC. 54956.8
(January 12, 1994)

RESTATEMENT OF EVENTS

On December 21, 1993 in executive session, Staff provided a BACKGROUND REPORT, including proposals, issues for discussion, and a request for direction from the Commission relating to the Port's negotiations with Southwest Marine/San Francisco Drydock, Inc. ("SFD").

DEVELOPMENTS FROM THE LEASE NEGOTIATIONS

Lease negotiations with SFD have since transpired, triggering many counter-offers. All concessions presented by staff were clearly conditioned upon:

i. Entering into a new market rate agreement with Schnitzer for a substantial portion of the licensed area;

ii. Staff negotiating authority was bounded by the instructions received from the Port Commission on December 21st;

iii. All discussion items are subject to the final approval of the Executive Director, Dennis Bouey and the Port Commission;

iv. Amending the lease requires approval of the Board of Supervisors as well.

As of December 30th, Port Staff and SFD agreed upon the following elements :

1. NEW RENT STRUCTURE

Port Staff/SFD agreement reached:
Rent is to be 2.75% of government gross billings (work on government-owned vessels) and 3.2% of commercial (other than government), subject to a $600,000 annual minimum. This rent structure is to remain in place through December 31, 1997, at which time rent will revert back to original lease terms effective January 1, 1998, or lease will be terminated thereafter.

Implication:
The Port's two main ship repair firms have very different customer bases. We have included Service Engineering Company's ("SECO") revenue projections as well as SFD's for budgeting purposes and comparative value. SECO forecasts a future mix of 70% government and 30% commercial work through December 1997, while SFD predicts a 50/50 mix. Given current business plan projections and the forecasted mix between commercial and military, this structure will yield the following rents:

			Jan-Jun '94	FY '94/'95	FY '95/'96	FY '96/'97
SFD	Vol. @ 2.75%		$ 150,000	$ 300,000	$ 343,750	$ 371,250
	Vol. @ 3.2%		150,000	300,000	400,000	432,000
	CPI Payback		22,940	45,880	45,880	22,940
SECO	Vol. @ 2.75%	SECO doesn't benefit under percentage rent until FY '94/'95		470,663	277,104	220,114
	Vol. @ 3.2%		440,378	234,720	138,192	109,771
	TOTALS :		**$ 763,318**	**$1,351,263**	**$1,204,926**	**$1,247,835**
	LOSS of REVENUES TO PORT AGAINST CURRENT AGREEMENTS		**$ 433,610**	**$1,101,594**	**$1,267,931**	**$1,293,841**

SAVINGS to FIRMS OVER *CURRENT LEASING AGREEMENTS*
(includes dredging share & CPI payback for SFD)

S.F.Drydock:	$ 406,550	$ 863,100	$ 719,350	$ 636,910
SECO:	-n/a-	$ 234,374	$ 544,460	$ 629,871

Compared to the 3% guideline agreed to by the Commission, rent yield for 'FY 94/'95 would be the same as expected (minimum), while rent for FY '95/'96 would be $6,000 less than expected at a strict 3% basis.

2. RECOVERY OF LICENSE AREA LANDS FOR ALTERNATE USE

Port Staff/SFD agreement reached:
The Port will take back the license areas with exception of the Machine Shop, its adjacent hazardous storage area, and building 109 which houses the paint, sheet metal and tool room. The Port will add Building 6 and its adjacent triangular parking lot to the SFD lease. SFD has requested that the Port deliver Building 6 free of toxics and with electrical service. The Port will study the cost implications of supplying electrical service to Building 6, and will examine the legal and cost ramifications of an environmental assessment of its safety, before further agreeing to any assignment of responsibility for these costs.

Implication:
Port Engineering Staff projects the costs for providing power to Building 6 to be an initial $30,000 in labor plus another $30,000 in materials for FY '93/'94. The environmental assessment has not been done.

3. CPI ADJUSTMENT ACCRUAL

Port Staff/SFD agreement reached:
Beginning Jan. 1, 1994, in addition to the percentage rent outlined in (1.) above, SFD will pay to the Port the sum of $ 137,640 in 36 equal, monthly installments (Jan.1994 through Dec.1996) . In return, the Port will waive the past accrual of CPI adjustment payments due from January 1, 1993 through December 31, 1993, plus all related interest and service charges.

Implication:
The current amount due for the twelve months accrued January 1st through December 31st, 1993 is $ 306,341.84 ($275,280 in principle & $ 31,061.84 in service charges). By agreement, SFD is willing to pay its agreed sum of $137,640 in lieu of the accrued amount, over 36 equal monthly installments (January 1994 through December 1996). Port will be effectively waiving $ 137,640 in principle and $ 31,061.84 in service charges.

4. FUTURE MAINTENANCE OF FACILITY

SFD will provide Maintenance and Business Plans on the twelfth month prior to each calendar year.

5. INSURANCE

Port Staff/SFD agreement reached:
The Port will waive the current requirement for insurance on the Drydocks for a two year term beginning January 1, 1994. Crane coverage will not be affected.

Implication:
This exceeds the one year waiver agreed to by the Commission. SFD has requested a four year waiver. However, we have attached a memorandum from the City's risk manager, Mr. Keith Grand, recalling his suggestion of some self-insurance options. In further discussions with Keith Grand, we have determined that he is comfortable with the two year waiver period. This waiver will be revisited within 60 days prior to the end of the two year term, for review of continued waiver subject to approval of the Port Commission, the San Francisco Board of Supervisors, and the City of San Francisco. Insurance on the cranes will not be forgiven.

6. TAX RELIEF

The Port will respond to informational requests by the City and County of San Francisco that may assist SFD in pursuing a reassessment of the Possessory Interest Tax and changes to the Payroll Tax.

7. RENEWAL OF LEASE

Port Staff/SFD agreement reached:
SFD agrees to commence discussions on July 1, 1997 regarding renegotiation of the rent structure pursuant to the lease.

Implication:
It should be noted that the lease provides for a CPI adjustment to apply effective December 17, 1997. The last CPI adjustment amount was $ 22,940 per month; $ 275,680 annually. The lease allows SFD to protest the adjustment, and grants them a unilateral right to terminate the lease upon 90 days notice to the Port thereafter. While the Port is not granted the right to terminate, it can remain firm on the increase or renegotiate. Holding or negotiating the lease terms is thought to be an adequate position protecting the Port's interests.

8. E.D.A.

Port Staff/SFD agreement reached:
The Port will pursue the EDA grant with the understanding that increased commercial access to the drydock facilities will continue. SFD will charge competitive market rates for drydock utilization to competing firms that have contracted to perform ship repair work and have the need. These rates will be applied in accordance with SFD's published tariff. Labor add-ons will not be a part of this tariff.

Implication:
This requirement will disclose the pricing policies and service provisions on a timely basis. However, it will not completely satisfy SECO's goal for equitable drydock access. While it will help define and clarify SFD's pricing for subcontracting of this asset, drydock scheduling will remain an outstanding issue that will affect the feasibility of other firms utilizing the drydocks.

9. UTILITIES

Currently at PIER · 70 the power distribution system is all interconnected. For the Port to rent license area lands, the power system will need to be separated. There will be associated costs to the Port, but we need further study to determine the extent. SFD will not be responsible for utility costs in connection with the separation of these licensed areas.

10. DREDGING

Port Staff/SFD agreement reached:
The parties will accept "as is" the premises and adjacent areas including existing conditions of the central basin. The Port's contribution to dredging will match SFD's contribution equally, limited to $50,000 per year over four years. The ultimate responsibility of both parties is limited to these amounts, and any additional requirements would be subject to mutual agreement.

Implication:

a) Immediate Central Basin Dredging Needs

The allocation of dredging costs between the Port and SFD over four years totals $400,000 which will not cover the estimated dredging costs of dredging the Central Basin to SFD's previously stated 32 foot depth requirement which amounted to 246,500 cyds at a projected cost of $848,520.
The $400,000 would cover 122,000 cyds (49%) of the originally proposed yardage.

Since the last Commission meeting, Tenant has modified their dredging requirements and proposed reducing their required yardage and/or phasing of the dredging work to maximize cash flow. Staff has not been able to verify the viability of reducing the yardage because any decreases are dependant on the tenant's business needs. Tenant has expressed a willingness to provide this information and work with the Port and decreasing the required quantities and/or phasing the work.

To resolve this issue, SFD and staff have agreed that any additional dredging costs exceeding $400,000 will be subject to further negotiations and agreement once SFD provides their plans for decreased yardage.

b) Future Annual Maintenance requirements (FY-97/98)

We have projected that in FY '97/'98 an additional 180,000 cubic yards will have to be dredged to maintain SFD's needed depth, at a cost of $590,400 in today's dollars and given current regulatory requirements. Under the proposal, these future costs are not allocated and under the lease terms, SFD could terminate their lease in early 1998. If this should occur, the property would be returned with a high siltation in the Central Basin which may affect marketing and/or negotiations with prospective maritime tenants.

OFFICE OF
CHIEF ADMINISTRATIVE OFFICER

RUDOLF NOTHENBERG
CHIEF ADMINISTRATIVE OFFICER

289 CITY HALL
SAN FRANCISCO
CALIFORNIA 94102
415/554-4851

TO: MICHAEL JANIS, DIRECTOR OF TENANT SERVICES - PORT

FROM: KEITH W. GRAND, RISK MANAGER

DATE: NOVEMBER 22, 1993

SUBJECT: S.F. DRYDOCK - INSURANCE

Of the various insurance requirements in the Port's lease with S.F. Drydock, only the protection and indemnity (P & I) and marine equipment insurance (hull) (Para 16.A.3,6) generate premium costs that would not otherwise be charged them by corporate South West Marine. All other insurance charges would continue because of South West's internal allocation of the corporate insurance program.

These two requirements insure the drydocks and gantry cranes, with annual costs as follows:

Drydock #1	
Hull	$ 24,750
P & I	$ 1,980
Drydock #2	
Hull	$ 90,271
P & I	$ 12,980
Cranes	$ 2,000
	$131,921

There may be some other internal charges to raise this to $140,000, billed in $70,000 semi-annual increments, the next falling due 12-1-93.

Per the Port lease, S.F. Drydock insures only the first $5.9 million value of Drydock #2, with the Port insuring $8.1 million value in excess of that ($14 million total). This excess layer of hull insurance currently costs the Port $24,300 annually in the Port's own insurance program. Drydock #2 is valued and insured at $900,000 by S.F. Drydock.

Using this same insurance structure, the Port's brokers, Johnson & Higgins estimate they can reduce S.F. Drydock's annual premium on the drydocks by $65,000. (From $140,000 to $75,000). New insurers possibly may require condition and value surveys, about $1,500 each. The Port's insurance would not be affected.

Going beyond this point, several related issues arise.

(OVER)

DRYDOCK VALUATION
Are the current Insured values accurate? Hull premiums are directly related to value insured. Additional savings would result at lower insured values.

LEASE VALUATION SPLIT
How was the $14 million value determined? How was the $5.9/$8.1 million split derived? Adjusting any figure affects costs.

WHY INSURE DRYDOCKS AT ALL?
Hull insurance is against physical damage to the docks. P & I insurance is against third-party liability claims and costs associated with clearing a channel or towing a damaged dock (if it sank and couldn't be raised or its wreckage had to be towed to a disposal site).

In this case, risks under these policies seem pretty remote, although SW Marine has had an expensive sinking/salvage claim on another drydock.

Given the large deductibles permitted by the lease and currently in effect ($250,000 hull; $100,000 P & I), most damage or liability incidents would not result in an insurance claim/recovery anyway. According to S.F. Drydock's John McGinn and Dockmaster John Geddis (who's been there since 1965 under two former tenants) there has never been an insurance incident of either type.

Self-Insurance Options
Maximum premium savings result, obviously, from cancelling these policies entirely on drydocks and cranes. What if the unthinkable happens and the docks sink, can't be raised or break loose in an unprecedented storm and cause damage? The lease's indemnification clause could require S.F. Drydock (assuming it had the financial means) to hold harmless the Port. If the docks aren't returned to operation, S.F. Drydock is out of business.

An interim step could be to suspend these drydock insurance requirements for an agreed period, in the expectation an economic upturn would allow their resumption on the agreed date.

KWG:mm

COMPARISONS OF CURRENT NEGOTIATED POSITION

PROJECTED VOLUMES of BUSINESS

	Jan-Jun '94	FY '94/95	FY '95/96
S.F. Drydock	$10,000,000	$20,000,000	$25,000,000
SECO	18,550,000	24,450,000	14,395,000
TOTAL INDUSTRY	$28,550,000	$44,450,000	$39,395,000

IMPLICATIONS

PROPOSAL: Port takes back all License Area & Changes Rent to 2.75% of MILITARY & 3.2% of COMMERCIAL Business :

	Jan-Jun '94		FY '94/95		FY '95/96	
	per BUDGET	per Current AGREEMENT	per BUDGET	per Current AGREEMENT	per BUDGET	per Current AGREEMENT
CURRENT RENTS						
PIER•70 Rents (Leased Area)	$737,640	$737,640	$1,200,000	$1,475,280	$1,200,000	$1,475,280
" " (Licensed Area)	41,850	41,850	83,700	83,700	83,700	83,700
PIER•50 Rents	440,378	440,378	689,756	939,756	709,756	959,756
TOTALS :	$1,219,868	$1,219,868	$1,973,456	$2,498,736	$1,993,456	$2,518,736
PROJECTED RENTS AS PER NEGOTIATED LEVELS						
(2.75% Mil. & 3.2% Comm., Min. $600,000 per yr.)						
PIER•70 Rents (Leased Area)	300,000	300,000	600,000	600,000	743,750	743,750
CPI Payback Spread Over 36 Months	22,940	22,940	45,880	45,880	45,880	45,880
" " (Licensed Area: Schnitzer @ 9 Acres)	94,090	94,090	614,538	614,538	614,538	614,538
PIER•50 Rents	440,378	440,378	705,383	705,383	415,296	415,296
TOTALS PROJECTED RENTS ➡	$857,408	$857,408	$1,965,800	$1,965,800	$1,819,464	$1,819,464
DREDGING	①	①	①	①	①	①
Both parties Pay ½ of Dredging, Maximum $50,000 per yr.	($50,000)	($50,000)	($50,000)	($50,000)	($50,000)	($50,000)
Cent.Basin Dredging to Maintain DD access is based on 246,500 Cu.yds.: Estimate of Total Cost for this yardage is $ 848,520 .						
.NET EFFECT on OPERATING BUDGET	($362,460)	($362,460)	($7,656)	($532,936)	($173,993)	($699,273)
.NET EFFFECT on PORT TOTAL OPERATING + CAPITAL BUDGETS	($412,460)	($412,460)	($57,656)	($582,936)	($223,993)	($749,273)
.SAVINGS to FIRMS OVER *CURRENT LEASING AGREEMENTS :*						
S.F. Drydock		$406,550		$863,100		$719,350
SECO		–		$234,374		$544,460
TOTAL SAVINGS to INDUSTRY		$406,550		$1,097,474		$1,263,810

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Meeting Date: January 12, 1994
Agenda Item: 6A
Resolution No. 94- 4

SUBJECT:
Resolution approving a professional services contract with James Stewart Polshek and Partners for preliminary design and feasibility services for the renovation of the Ferry Building

Submitted by: Sharon Lee Polledri, Director of Planning, Development & Community Affairs

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AGENDA CLASSIFICATION

___ Executive
___ Cargo Services
___ Tenant Services
_X_ Planning, Development & Community Affairs
___ Internal Services
___ Legal

BACKGROUND
The historic renovation of the Ferry Building has been a long time goal of the City of San Francisco and the San Francisco Port Commission. The Port was recently awarded a $1.0 million grant from the Transportation Enhancement Activities (TEA) Program of ISTEA (the Intermodal Surface Transportation Efficiency Act of 1991) to fund preliminary design, engineering and environmental review for the project.

On September 8, 1993 the Port Commission approved Resolution No. 93-126 which authorized the staff to issue a Request For Proposals (RFP) for preliminary design and feasibility services for the historic renovation of the Ferry Building, and to enter into negotiations with the highest ranked consultant identified through the RFP process.

(continued)

RECOMMENDATION
Staff recommends approval of the attached resolution.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	___ Motion	Date:
	_X_ Resolution	Approved:
	___ Ordinance	Disapproved:
	___ Information Only	Continued:

Secretary

The RFP was issued on September 27, 1993 and the Port undertook good faith efforts to ensure that disadvantaged minority and woman-owned businesses were given an opportunity to submit a proposal or participate on a team as a subconsultant. The Port received fourteen proposals by the submission due date of November 10, 1993, three of which were submitted by registered Disadvantaged Business Enterprises (DBEs). The consulting teams that submitted proposals are shown on attachment A.

The RFP outlined the criteria with which the proposals were to be evaluated, including project approach, staff qualifications and firm experience. A selection committee comprised of Port staff, City staff and private individuals with expertise in architecture, engineering, planning, transportation and real estate development evaluated the proposals and selected five consultant teams to participate in an oral interview.

The five finalists that were interviewed were Esherick Homsey Dodge and Davis; Kaplan McLaughlin Diaz; James Stewart Polshek and Partners; Simon Martin-Vegue Winkelstein Moris; and Skidmore Owings and Merrill. During the oral interview, the consultants were allowed to make a 35 minute presentation, and then were asked questions regarding their proposal.

The consultant team led by James Stewart Polshek and Partners received the highest ranking following the oral interview process. The Polshek team includes a number of subconsultants; attachment B presents a summary of the entire consulting team. The Polshek team met the Disadvantaged Business Enterprise (DBE) participation goal of 30% for this contract.

The Port entered into contract negotiations with James Stewart Polshek, and negotiated the attached professional services consulting contract for an amount not to exceed $456,000. The scope of services includes conceptual design and engineering studies, market and financial analysis, cost estimating and regulatory approval. Phase I will involve analyzing three development scenarios, and is scheduled to take five months. Phase II will involve a more detailed analysis of a preferred alternative, and will most likely take approximately four to six months.

The feasibility analysis of the alternative conceptual designs will allow the Port to make informed decisions on important aspects of the project. For example, the cost and the income producing potential of the various alternatives will be compared, and the financial feasibility of various potential uses will be assessed. This work will allow the Port to develop a coherent effort to attract the public and private investment necessary to complete the project.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-4

WHEREAS, the Port Commission approved Resolution No. 93-69 on May 26, 1993 authorizing the staff to submit an application to the Transportation Enhancement Activities (TEA) Program for $1,000,000 for planning, engineering and environmental analysis for the renovation of the Ferry Building; and

WHEREAS, the California Transportation Commission (CTC) adopted Resolution G-93-12 and STIP Amendment 92S-46 on August 5, 1993 which approved the initial round of funding for the TEA Program and included the $1,000,000 Ferry Building application; and

WHEREAS, the Port Commission approved Resolution No. 93-126 on September 8, 1993 which authorized the staff to issue a Request for Proposals ("RFP") for a consultant or team of consultants to conduct preliminary design and feasibility services for the renovation of the Ferry Building, and also authorized staff to enter into negotiations with the highest ranked consultant identified through the RFP process; and

WHEREAS, the RFP was issued on September 27, 1993, and the Port undertook all good faith efforts to provide disadvantaged minority and woman-owned businesses with an opportunity to submit a proposal or participate on a team as a subconsultant; and

WHEREAS, the Port received fourteen proposals by the submission due date of November 10, 1993, three of which were submitted by Disadvantaged Business Enterprises (DBEs), and all of which met the DBE goal of 30% for this contract; and

WHEREAS, a selection panel comprised of Port staff, City staff and private individuals evaluated the written proposals according to the criteria that were outlined in the RFP, and conducted an oral interview with the five highest ranking consultant teams; and

WHEREAS, the team led by James Stewart Polshek and Partners received the highest score following the oral interview by the selection panel; and

WHEREAS, the Port staff entered into negotiations with James Stewart Polshek and Partners, and negotiated the attached professional services contract;

NOW, THEREFORE BE IT RESOLVED, that the Port Commission approves the attached professional services contract with James Stewart Polshek and Partners to conduct preliminary design and feasibility services for the renovation of the Ferry Building, for an amount not to exceed $456,000.

I HEREBY certify that the foregoing resolution was adopted by the San Francisco Port Commission at its regular meeting of January 12, 1994.

Elizabeth Day
Commission Secretary

ATTACHMENT A

Consultant Teams That Submitted Proposals For The Ferry Building Historic Renovation, Preliminary Design And Feasibility Services			
Finalist Team	**Finalist Team**	**Finalist Team**	**Finalist Team**
Prime: Esherick Homsey Dodge & Davis **Subconsultants:** EDAW, Ernst & Young, PAD, Carey and Co., Gaynor Engineers, Structus, Don Todd Associates, Dowling Associates, Transpacific Geotechnical	Prime: Skidmore Owings & Merrill **Subconsultants:** Recht Hausrath & Associates, Urbanics, Architectural Resources Group, Hanscomb Associates, Smith Engineering, Pacific Transit Management, AGS, Ajmani Associates, Skadden, Arps, Slate, Meagher, & Flom	Prime: Kaplan McLaughlin & Diaz **Subconsultants:** Wallace Roberts & Todd, Sedway & Associates, HJ Degenkolb & Associates, JYA Consulting Engineers, Silverman & Light, Architectural Resources Group, Don Todd, Omi Lang Associates, The Ratkovich Company, Petit & Martin, Dean Macris, Barnes/Clark, Pittman & Hames, DKS Associates, Pacific Transit Management	Prime: Simon Martin-Vegue Winkelstein Moris **Subconsultants:** Hanna/Olin, Economic & Planning Systems, Molinaro Associates, Carey & Co., OLMM, SJ Engineers, Pete Lapid Associates, Arcost/CPM Group, Dinwiddie Associates, Petit & Martin, Doug Wright, MANNA Consultants, Cassady & Verges
Prime: Heller & Leake Architects **Subconsultants:** Bay Area Economics, Arthur Andersen & Co., Architectural Resources Group, GCA Strategies, Culley & Associates, SJ Engineers, Ray I. Juachon & Associates, Don Todd, Transpacific Geotechnical, Pittman & Hames, Fehr & Peers, Brady & Associates, John Turnbull	Prime: Hardy Holzman Pfeiffer **Subconsultants:** CB Commercial, LDA Architects, SOH & Associates, Don Todd, TAMS Consultants, FW Associates, SJ Engineers, AGS Inc., Moore Iacofano Goltsman	Prime: Gensler & Associates **Subconsultants:** AMB Corporate Real Estate Advisors, Sasaki Associates, Michael Willis, Carey & Co., Structural Design Engineers, Ajmani Associates, Kaku Associates, Hanscomb Associates, AGS Inc., Gruen & Gruen, Edward Plant Co., Dudell Associates	Prime: ELS/Elbasani & Logan **Subconsultants:** Greg Roja, Williams-Kuebelbeck, Theresa Hughes, Don Todd, Architectural Resources Group, OLMM, Ajmani & Associates, ACRES, TransPacific Geotechnical, Pittman & Hames, Pacific Transit Management, Wittec, Public Affairs Management, AMS Planning & Research
Prime: Fisher Friedman/ Benjamin Thompson **Subconsultants:** Page & Turnbull, Degenkolb & Associates, Transpacific Geotechnical, Don Todd, OMNI-Means, RFK Associates, Mundie & Associates, Public Affairs Management, Vello Kiisk Management	Prime: Group 4 Architecture **Subconsultants:** Economics Research Associates, Public Affairs Management, Wilbur Smith, Pittman & Hames, Page & Turnbull, T.Y. Lin, Arcost, Sasaki Associates	Prime: Bull Stockwell Allen & Ripley **Subconsultants:** Gruen & Gruen, Royston Hanamoto Alley & Abbey, Nelson/Nygaard, Advance Design Consultants, AGS, Page & Turnbull, Structus, Inc., Don Todd Associates, Moffat & Nichol, Williams Jackson Ewing, Moore Iacafano Goldman, Brady & Associates, K&W Associates	Prime: ED2 International **Subconsultants:** Kensington Investments, Page & Turnbull, SOH & Associates, Transpacific Geotechnical, OMNI-Means, Takahashi Consulting Engineers, The SWA Group, Adamson Associates
Prime: Barker Pacific **Subconsultants:** Nishita & Carter, Marini Slavik Benham, Barnes & Cavagnero, CCS Planning, ACRES, Sarah Leong, Gayner Engineering, Jim Farber & Associates, Government Approvals, LSA, Arcost/CPM	Prime: James Stewart Polshek **Subconsultants:** Keyser Marston, ROMA, Cervantes Design, Mancini & Co., Architectural Resources, Peter Walker, Pittman & Hames, Korve Engineering, Forrell/Elsesser Engineering, Faye Berstein, Moffat & Nichol, Takahashi Engineers, Mike Wilmar, Mary Henderson		

ATTACHMENT B

FERRY BUILDING HISTORIC RENOVATION
PRELIMINARY DESIGN AND FEASIBILITY SERVICES

Team Member	Role in Project	MBE/WBE	Dollar Amount	% of Contract
James Stewart Polshek	(Prime) Architectural Design	No	$92,000	20.2%
Keyser Marston	Real Estate Economics	No	$84,000	18.4%
Roma Design Group	Site Design	No	$60,000	13.2%
Cervantes Design Associates	Architectural Project Manager	MBE/WBE	$40,000	8.8%
Mancini & Company	Development Consulting	No	$11,500	2.5%
Architectural Resources Group	Historic Preservation	No	$17,000	3.6%
Peter Walker	Landscape Architecture	No	$20,000	4.4%
Pittman & Hames Associates	Transit Operations/ Community Surveys	MBE/WBE	$15,000	3.3%
Korve Engineering	Transportation Engineering	No	$ 5,000	1.1%
Don Todd Associates	Cost Estimating	MBE	$25,000	5.5%
Forrell/Elsesser Engineers	Structural Engineering	No	$14,500	3.2%
Faye Berstein & Associates, Inc.	Structural Engineering	MBE	$12,000	2.6%
Moffatt & Nichol Engineers	Coastal Engineering/ Substructure	No	$10,000	2.2%
Takahasi Consulting Engineers	Mechanical/Electrical Engineering	MBE	$30,000	6.6%
Nossaman Guthner Knox & Elliot	Regulatory Permitting	No	$ 5,000	1.1%
Mary Henderson Associates	Market Research	WBE	$15,000	3.3%
TOTAL CONTRACT AMOUNT			$456,000	100.0%

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SAN FRANCISCO PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA
JANUARY 12, 1994

M I N U T E S

The Port Commission convened in regular session at 4:10 p.m. with the roll call of members. The following Commissioners were present:

President James R. Herman
Vice President Anne Halsted
Commissioner Preston Cook
Commissioner Frank O'Neill

Commissioner Ming Chang-O'Brien was absent.

Under approval of minutes, President Herman asked that the minutes of the last meeting be amended to reflect additional testimony of his which was inadvertently omitted. He then read his remarks into the record to be made a part of the December 15, 1993 minutes:

On Page 2 of the minutes
After the sentence ending with Foreign Trade Zone #3, insert the following:

Staff presented a lease for Pier 48 and a portion of Seawall Lot 337.

On Page 3 of the minutes
Replace the paragraph which begins "Discussion ensued comparing..." with the following two paragraphs:

Discussion ensued regarding the lease, with Commissioner Herman raising the following issues:

that the process was not a true RFP process with outreach to the minority community in accordance with the City's Human Rights requirements because it went only to a limited number of Port tenants when there are many different companies which might be interested in running warehouses;

that the 10-year term of the lease was contrary to what the Commission authorized Cargo Services to seek and that staff negotiated the lease without first bringing the results of the bid process to the Commission as they indicated they would do when they requested authority to accept bids in August;

that Seawall Lot 337 was not authorized by the Commission for inclusion in the Pier 48 lease and that staff made no effort to contact other adjacent tenants to determine whether they

would be interested in the property and what they would be willing to pay;

that staff did not provide the Commission with any analysis of the Pier 48 proposal with respect to how it compared to other Port property or private warehouses;

that the Cost of Living increases every 40 months did not 2appear to benefit the Port when Mr. Osgood had originally proposed annual adjustments;

that the provision of the lease requiring the Port to, at its expense, request a non-contiguous extension of the Free Trade Zone was, in effect, giving Mr. Osgood a monopoly when an RFP process regarding an FTZ might have opened up opportunities for minority interests from the City's many diverse communities;

that the subleasing language and the allowable use of "renting warehouse space at the published rate" do not appear to allow the Port to benefit from high-volume use of the warehouse, should Mr. Osgood be successful;

that the strike clause identified by Mr. Romero during public comment is unprecedented;

and that it appeared that members of the Commission were receiving pressure from City Hall to push this "sweetheart deal" through when Commissioner Herman was asking for a postponement to the next meeting in order to get answers to his concerns (a courtesy normally afforded to any Commissioner who asks).

In response to the question to Mr. Peters as to under whose authority he had proceeded with lease negotiations, Commissioner Cook admitted that he had directed Mr. Peters to go ahead and negotiate the lease without bringing the results of the bid process to the Commission, and he apologized to the Commission President.

This is the end of President Herman's remarks.

Commissioner Cook moved approval to include these additions in the minutes of the last Commission meeting, seconded by Commissioner Halsted, carried.

The Executive Director informed the Commission that Item 5A is a matter which was continued from a previous meeting, and was incorrectly noticed on this agenda, precluding the Commission from acting on this matter. It was therefore requested that this matter be continued until the next meeting.

Hearing no objection, President Herman ordered Item 5A be continued.

The Commission took up the matter of election of officers for 1994. President Herman opened the floor to nominations, and Commissioner O'Neill nominated Commissioner Preston Cook as president, seconded by Commissioner Halsted, and carried, and so ordered.

The next order of business was the election of vice president. Commissioner O'Neill nominated Commissioner Halsted for vice president, which was seconded by Commissioner Cook, carried, and so ordered.

Under the Executive Director's report, Mr. Bouey stated that for a number of reasons the Commission would be better served if it would meet on Tuesdays, instead of Wednesdays. In reviewing the by-laws, the meeting day is specified, and therefore would require a change in the by-laws. Researching this matter, revealed other matters that bear clarification, and Mr. Bouey suggested the forming of a sub-committee to review the by-laws with him and come back with changes as appropriate.

Commissioner Cook agreed and made a motion to establish a sub-committee consisting of the president and the vice president to review the current by-laws and come back at the next Commission meeting with recommendations for by-law changes. This was seconded by Commissioner O'Neill, carried and so ordered. Discussion followed regarding the date of the next meeting, and Commissioner O'Neill amended his motion that the next meeting be a special meeting to be held on Tuesday, January 25, at 3 p.m., which was seconded by Commissioner Halsted, carried and so ordered.

Outgoing President Jim Herman turned over the gavel of the president to the newly elected President Preston Cook, and offered his congratulations to him and to Vice President Halsted.

Dennis Bouey informed the Commission of his meetings with staff, being brought up to speed on the many issues confronting the Port, as well as doing an analysis of the financial situation, and as appropriate he will be reporting to the Commission on his findings.

TENANT SERVICES

As noted earlier, the first item regarding real property negotiations with Southwest marine is deferred until the next Commission meeting.

President Cook indicated that the executive session will take place following Item 6B under **PLANNING DEVELOPMENT**, a resolution to approve the award of a professional services contract with James Stewart Polshek and Partners. This contract is for the preliminary design and feasibility services for the renovation of the Ferry Building. In September after staff presented its action plan for redeveloping this facility, the Port was notified of the likelihood of additional funding under the Transportation Enhancement

Activities Program of an additional $1,000,000. Sharon Polledri, Planning Director, stated that staff is actively pursuing additional federal funds.

Planning project manager Paul Osmundson stated that an RFP was issued in September, as authorized by the Commission, for preliminary design and feasibility services. Good faith efforts to ensure participation by women-owned and minority business enterprises were undertaken, and of fourteen proposals received, three were submitted by disadvantaged business enterprises. Evaluation by a selection committee comprised of Port staff, City agency staff and private industry individuals expert in architecture, real estate development, planning and transportation, selected five finalists who participated in oral interviews. The consultant team led by the architecture firm of James Stewart Polshek and Partners received the highest score from the oral interview process. Mr. David Robinson, principal with James Stewart Polshek firm, was presented to the Commission. He will be managing the project. The team consists of a variety of sub-consultants, fourteen in all, and does meet the disadvantaged business enterprise goal of 30 percent. The contract negotiated is for an amount not to exceed #456,000 and is funded through a federal grant from TEA. The analysis done by this team will allow the Port to make informed decisions on important aspects of this project, for example, being able to compare the cost income-producing potential of various alternatives, and evaluate financial feasibility. The work will allow us to develop a coherent effort to attract public and private investment necessary to complete the project.

Commissioner Herman asked how many people received copies of the request for proposals, and was informed that approximately 250 RFP documents were sent out. Osmundson said there was a wide outreach because of broad range of disciplines and the high level of interest.

Commissioner Halsted said looking at the quality of responses she had seen, we should have an excellent product.

In reply to Commissioner O'Neill's request, staff listed the names of the subconsultants:

Keyser Marston & Associates, ROMA Design Group, Cervantes Design Associates, Mancini & Company, Architectural Resources Group, Peer Walker, Pittman & Hames Associates, Korve Engineering, Don Todd Associates, Forrell/Elsesser Engineers, Faye Bernstein & Associates, Inc., Moffatt & Nichol, Engineers, Takahashi Consulting Engineers, Nossaman Gunther Knox & Elliot, Mary Henderson Research.

Commissioner O'Neill expressed his concern that the team be aware of the Commission's desire for timely performance and completion. David Robinson observed that the team is as anxious as the

Commission to get going.

Vice President Halsted asked that the Commission be given a status report before the end of the project, and the executive director suggested that a status report be provided at the third or fourth month of the contract, which was amenable to the Commission.

ACTION: Commissioner Halsted moved approval of Resolution No. 94-4, seconded by Commissioner O'Neill, and carried.

NEW BUSINESS

Captain Bill Cantua, a merchant marine veteran, and a resident of San Francisco's Sunset district, thanked the Commission for the privilege of speaking to them, and expressed his particular thanks to Commissioner Herman for his years of dedication and service to the Port. Captain Cantua congratulated the new president and vice president, and wished them well in the year to come. He asked what the Port is doing to increase passenger ship calls in San Francisco, since in his opinion this is where our best opportunities are.

President Cook asked for staff's response, and Veronica Sanchez stated that efforts are being made to change federal statutes which limit our ability to draw a greater number of passenger ships to San Francisco. Ms. Sanchez said that one of the problems with the harbor is that "it's located in the wrong place in California. We are too far away from Mexico and too far away from Alaska." Therefore, not a convenient departure point or embarkation point to cruises to Mexico or Alaska.

Gerry Roybal, another staff member, reported that this year the Port is scheduled to have 44 calls which is a 37% increase over 1992, and four inaugural ships and attracting companies investing in new, state of the art ships who have chosen San Francisco to showcase them.

Another effort being made is to get the Department of Interior to give bid preference points to those cruise lines which cruise Glacier Bay, a U.S. National Park, are actually departing American ports. Currently the bulk of this business departs out of Vancouver, B.C.

Ms. Virginia Conway, a member of the public, expressed her appreciation and other bird watchers as well, to the Port for its cooperation in removal of trash from the 24th Street park.

President Cook acknowledged Ms. Conway's volunteer clean-up efforts in the Islais Creek park area, and thanked her on behalf of the Commission.

Commissioner Herman took the time to express his thanks to staff for compiling and distributing the myriad of news bulletins to the Commission apprising them of current events, both Portwide and City wide. Ms. Karen Sarlo is the staff person responsible for initiating this news brief, and accepted the Commission's thanks.

At 5:00 p.m., President Cook announced the Commission would withdraw to executive session for discussion of real property negotiations between the Port and, as specifically authorized under California Government Code Section 54956.9.

The Commission returned from executive session, and convened in public session at 6:40 p.m. Dennis Bouey reported that discussions took place between staff and Commission regarding the status of negotiations between San Francisco Drydock (Southwest Marine) and Port staff. In this executive session, the Port Commission gave additional instruction to the Port Director and his staff to carry on negotiations to a successful conclusion. At this time, because of the sensitive nature of the negotiations, the Commission elects not to public furnish the information discussed in the executive session.

Commissioner Herman made a motion as indicated above, which was seconded by Commissioner O'Neill, and carried. The Commission meeting adjourned at 6:50 p.m.

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PORT OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

SPECIAL MEETING TUESDAY
3:00 P.M. JANUARY 25, 1994
3100 FERRY BUILDING,
SAN FRANCISCO, CALIFORNIA

AGENDA

1. ROLL CALL

2. APPROVAL OF MINUTES

3. EXECUTIVE
   A. Executive Director's Report

   B. Capital Plan and Supplemental Appropriation to Fund Capital Projects
      Resolution No. 94-4 (continued from November 22, 1993 meeting)

4. CARGO SERVICES

5. TENANT SERVICES

   A. Approval of terms of amendment regarding liability insurance requirements of Port lease with Southwest Marine, Inc.,(dba San Francisco Drydock) a California corporation.
      Resolution No. 94-2
   B. Approval of a one year lease at Pier 9 with Richard McFarland.
      Resolution No. 94-7
   C. Award of two leases for surface parking lot operations at Seawall Lots 321, 323, 324, and Embarcadero Median Lots E, F and G.
      Resolution No. 94-8

   D. Monthly Leasing Report for December 1993

6. ENGINEERING

A. Authorization to award a professional services contract to Roma Design Group for Pier 1/2, North Ferry Terminal Upgrade, Phase 2 Project.
Resolution No. 94-9

B. Authorization to issue Contract Modification 3 to Barnes/Lem, a Joint Venture for Contract No. 2586 for Ferry Building, Earthquake Damage Repairs, Stage I.
Resolution No. 94-10

C. Approval of "Covenant of Purpose, Use and Ownership" for Pier 45.
Resolution No. 94-11

7. PLANNING DEVELOPMENT & COMMUNITY AFFAIRS

A. Approval to submit an application for funding under Transportation Enhancement Activities (TEA) Program for $1,000,000 for the renovation of the Ferry Building Central Concourse.
Resolution No. 94-12

8. INTERNAL SERVICES

9. CONSENT CALENDAR

A. Approval to vacate portions of The Embarcadero and Berry Street Right-of-Way for development of the South Beach Park.

B. Approval to vacate portions of Front Street and Union Street to allow the construction of the Waterfront Transportation Project, North Segment.

C. Approval of Robert Hagedorn to the Waterfront Plan Advisory Board as appointee by Supervisor Migden.

D. Approval of refunds and allowances for the period ending December 312, 1993.
Resolution No. 94-13

10. EXECUTIVE SESSION

A. An executive session has been calendared to discuss real property negotiations between the Port and Southwest Marine, Inc., a California corporation at Pier 70. This is specifically authorized under California Government Code Section 54956.8.

11. NEW BUSINESS

12.ADJOURNMENT

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

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SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA
JANUARY 25, 1994

MINUTES

The Port Commission convened in special session at 4:10 p.m. with the roll call of members. Four Commissioners were present:

President Preston Cook
Vice President Anne Halsted
Commissioner Ming Chang-O'Brien
Commissioner Frank O'Neill

Commissioner James Herman was absent.

Commissioner Halsted recommended that minutes of the last meeting be corrected to reflect the actual votes as required by the Sunshine Ordinance. Commissioner Halsted moved that the minutes reflect the votes as passed. With this correction, President Cook moved approval, seconded by Commissioner O'Neill, carried unanimously.

EXECUTIVE REPORT:

3A

The Executive Director reported on the following:

First, Catellus, as part of an agreement with the Port, effective February 4th owes the Port $1 million. There are a number of obligations that need to be taken care of to be eligible to receive this money. Currently, staff is working on outstanding issues with regard to tenants that may be on some of the properties that will belong to Catellus on February 4. Staff hopes to have the issues resolved by February 3rd.

Second, Mr. Bouey reminded the Commission that if they wanted to have the next meeting on Tuesday, February 8 at 4 p.m., a roll call is needed to move a special meeting on February 8, in lieu of the regularly scheduled meeting of February 9th which is a Wednesday. Commissioner Halsted moved approval, seconded by Commissioner O'Neill, carried unanimously.

3B

Capital Plan: This plan was before the Commission in November and put over. The major issue involved the construction of a drainage pipe. There was an understanding that the Port would share in the cost of construction of this drainage pipe up to $1 million. However, because the Port owns certain property

at Rincon Point Park, the CAO offered to forgive the Port its share of the drainage construction project in return for the use or lease for a park. This deal seems to have fallen apart. Mr. Bouey recommended that the Capital Plan be adopted without funding the drainage construction project. Mr. Bouey requested the Commission to direct him to meet with Mr. Nothenberg to discuss this issue for resolution. Commissioner O'Neill acknowledged that he was well aware of the details on this matter.

President Cook moved for a resolution adopting the Capital Plan and an amendment directing the Executive Director to meet with Mr. Nothenberg. Seconded by Commissioner Halsted, carried unanimously.

President Cook announced that the Commission has received several versions of Port Commission Rules of Order. President Cook met with Commissioner Halsted on this matter and will redraft some sections, as appropriate. They will be in the packet for adoption by the Commission at the next meeting.

TENANT SERVICES

5A

Mr. Bouey requested approval of terms of amendment regarding liability insurance requirements of Port lease with Southwest Marine, Inc. (dba San Francisco Drydock) and recommended incorporating this action into the ongoing real property negotiations for resolution in executive session.

ACTION: Commissioner Halsted moved approval of Resolution 94-2, seconded by Commissioner O'Neill, carried unanimously.

5B

Mr. Bouey requested adoption of a one year lease with Richard D. McFarland. This item requires Commission approval since it falls outside the parameters set by the Standard Lease Policy.

ACTION: Commission Chang-O'Brien moved approval of Resolution 94-7, seconded by Commissioner Halsted, carried unanimously.

5C

Staff, at the direction of the Port Commission, has bid two parcels for parking. Parcel 1 (Central Parking) involves an assemblage of different lots on a every day basis. Parcel 2 (Allright Cal, Inc.) is to be operated on a weekend only basis because it is currently operated by the Port Monday through Friday. Parcel 1 represents an annual increase of about $36,000 to the Port. On Parcel 2 the increase in revenue is not known at this time as it currently is not operated on weekends. Under the control of an operator Port expects to receive about $1000 a month; however, at this time, this is speculative. Commissioner O'Neill asked

with all the construction going on in the Embarcadero if the Port was protected against any law suits. Ms. Schimke responded that these lots are not affected at this time. Ms. Schimke added that if for some reason certain parking areas have to be withdrawn, then the Port has the flexibility to do so.

ACTION: Moved approval by Commissioner Halsted of Resolutions No. 94-6 and No. 94-8, seconded by Commissioner Chang-O'Brien, carried unanimously

5D

Monthly leasing report for December, 1993 was presented. Commissioner O'Neill noticed that on item 3, under 5D, we gave new carpet on a 6 months lease. Commissioner O'Neill asked whether this is customary. Ms. Schimke responded that the parameters provide that the leasing rates are assuming rentable space with carpet and paint. If a space required carpet or paint to rent, Port would either do it or give the tenant the credit to do it.

ENGINEERING

6A

Mr. Bouey presented a resolution authorizing the award of a professional services contract to Roma Design Group for Pier 1/2, North Ferry Terminal Upgrade, Phase 2 Project. This contract is divided into two portions. The first is to come up with a conceptual alternative design scheme and layout for the new pier as well as examining a number of other issues involved in development. Stage 2 is wholly at the Port's option.

Commissioner Halsted reminded staff that the Ferry Terminal was dedicated in the name of Doris Kahn, a public transit advocate. There was a plaque in her honor and Commissioner Halsted was concerned that it might get lost in the final design.

ACTION: President Cook moved for adoption of Resolution No. 94-9 seconded by Commissioner Halsted, carried unanimously.

6B

Mr. Bouey presented for Commission approval a Contract Modification with Barnes/Lem who is doing the seismic upgrading of the Ferry Building. The firm has uncovered some conditions that were not obvious at the time the contract was bid. This issue has already been discussed with FEMA and they have agreed to pay for the additional work. Mr. Bouey also pointed out that it is likely that there may be another modification to this contract as other damage is likely to be uncovered.

Commissioner O'Neill asked for an update on timing. Mr. Jarrard responded that contract is moving along well and expect to have the work done on time (August) despite the damage that has been uncovered.

ACTION: President Cook moved for adoption, seconded by Commissioner Chang-O'Brien, carried unanimously

6C

The Executive Director requested approval of a resolution to apply for, accept and expend a Title IX grant from the Economic Development Administration. The most important part of this resolution is the allowance for future uses. There are restraints but staff has worked diligently with EDA to develop acceptable language and has received EDA approval. We have been assured that various things that we mentioned we would like to do with Pier 45 would be permissible under this covenant. We need to execute the covenant in order to receive $2 million.

ACTION: Commission Chang-O'Brien moved approval, seconded by Commissioner Halsted, carried unanimously

Unrelated to the above grant, Commissioner Chang-O'Brien asked Mr. Jarrard about the time frame for Pier 45 repairs. Mr. Jarrard responded that things are moving along quite well. The grouting contract is expected to be done in 5 weeks which is ahead of schedule and expected to come in under budget. Mr. Jarrard added that we had received bids on Contract 3 for Pier 45, but could not release the results of the bids until reviewed. Commissioner Chang-O'Brien asked if we have received a written approval from FEMA. Mr. Jarrard said that the reason we have not received approval was that FEMA was waiting for us to get bids to prepare a supplemental DSR. There is still a component under appeal which is the utilities portion. It is not going to be fully funded by FEMA and OES but we have less than 10% investment in the project. The appeal portion was $300,000 for utilities and was predicated on an engineers estimate, but could run less than that. President Cook then asked Mr. Jarrard when will the fendering system be installed on the east side of Pier 45. Mr. Bennett interjected that we are awaiting final approval of a supplemental funding appropriation from City Hall. Once approval is received construction could hopefully start in March or April and will take approximately 6 months to complete. Commissioner O'Neill asked when the Port can get rent paying tenants in Pier 45. Mr. Jarrard responded that we hope to move tenants that are now in Shed D to Shed B in August of this year. Our contract calls for all the work to be done by April, 1995.

PLANNING DEVELOPMENT & COMMUNITY AFFAIRS

7A

This item involves a resolution authorizing staff to apply for a $1 million grant. The purpose of the grant is to reconstruct the passenger access way in the center of this building. When construction is performed it will be done in conjunction with the renovation of the building and it is important that we apply for these funds now.

ACTION: Moved approval by Commissioner O'Neill, seconded by Commissioner Halsted, carried unanimously

President Cook questioned how long the renovation of the building would take and if it could be done separately. Mr. Osmundson explained that the grant is for a 3 year cycle (1994, 95, 96) of the TEA program and we have until 1998 to expend it. President Cook was hopeful that it would be an autonomous project so there would be some activity around the Ferry Building showing that we are doing what we say we are going to do. Ms. Polledri then stated that one of the original purposes in applying for these funds is that there is a possibility of establishing a pilot program should it be necessary. Our intention is to procure funds and conduct feasibility studies for the renovation of the entire building at one time which would be less costly.

CONSENT CALENDAR
9A, B, C, D

All four items in the Consent Calendar

ACTION: Moved approval by Commissioner Chang-O'Brien, seconded by Commissioner Halsted, carried unanimously

Mr. Bob Tibbits addressed the Commission and referred to a letter sent to Commission Herman a few months ago regarding grant of rent credits for capital improvements. Mr. Tibbits claimed that the Port was extending rent credit in excess of the maximum allowed for capital improvements not included in the Port's capital plan. Mr. Tibbits requested that the Port Commission adopt a standard policy with respect to rent credits to any tenant.

Mr. Bouey responded that he would review the issues that Mr. Tibbits has raised and will get back to him.

EXECUTIVE SESSION:
At 3:45 p.m., City Attorney Van Nostern announced the Commission would withdraw to executive session for discussion of real property negotiations between the Port and Southwest Marine, Inc. a California corporation at Pier 70. This is specifically authorized under California Government Code Section 54956.8.

The Commission returned from executive session, and convened in public session at 4:05 p.m. Commissioner Halsted moved that results of the discussions not be revealed as negotiations are ongoing. Commissioner O'Neill seconded, carried unanimously.

The Commission meeting adjourned at 4:10 p.m.

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NOTICE OF CANCELLATION

REGULAR MEETING - WEDNESDAY, JANUARY 26, 1994

SAN FRANCISCO PORT COMMISSION

3100 FERRY BUILDING, SAN FRANCISCO, CALIFORNIA

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PORT OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

SPECIAL MEETING TUESDAY
4:00 P.M. FEBRUARY 8, 1994
3100 FERRY BUILDING,
SAN FRANCISCO, CALIFORNIA

AGENDA

1. ROLL CALL

2. APPROVAL OF MINUTES

3. EXECUTIVE

   A. Executive Director's Report

   B. Approval of Temporary appointment of the Acting Director, Tenant Services — Resolution No. 94-14

4. CARGO SERVICES

   A. Approval of a 5-year extension of Agreement with PG&E at Pier 70 — Resolution No. 94-18

5. TENANT SERVICES

   A. Lease of Pier 36 to Delancey Street Foundation, Inc. — Resolution No. 94-19

   B. Approval of RFPs for Curb Space Permits at Fisherman's Wharf — Resolution No. 94-20

   C. Authorization to Negotiate Lease 18-24 Month Pilot Program Crafts Market at Pier 30-32 — Resolution No. 94-21

6. **ENGINEERING**

7. **PLANNING DEVELOPMENT & COMMUNITY AFFAIRS**

A. Resolution approving the issuance of a Request for Proposals (RFP) for environmental review consulting services for renovation of the Ferry Building
Resolution No. 94-23

B. Approval to enter into a grant agreement from the State Water Resources Agency, with the Friends of Islais Creek for an open space project along Islais Creek at Quint Street
Resolution No. 94-24

8. **INTERNAL SERVICES**

9. **CONSENT CALENDAR**

A. Adoption of Port Commission Rules of Order
Resolution No. 94-17

B. Approval of two appointments to the Waterfront Plan Advisory Board
Resolution No. 94-25

10. **EXECUTIVE SESSION**

An executive session has been calendared for the February 8, 1994 special meeting of the Port Commission to discuss real property negotiations with Southwest Marine, Inc., a California corporation at Pier 70. This office is of the opinion that an executive session is specifically authorized under California Government Code Section 54956.8.

11. **NEW BUSINESS**

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

City and County of San Francisco

SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Subject: Approval of the Temporary Appointment of the Acting Director, Tenant Services

Meeting Date: 2/8/94
Agenda Item No.: 3B
Res. No.: 94-14

Submitted By: Nancy Yokoyama Woo, Acting Human Resources Manager

AGENDA CLASSIFICATION

x	Executive		Internal Services
	Cargo Services		Legal
	Tenant Services		Other
	Planning and Community Affairs		

BACKGROUND

City Charter Section 3.581 grants the Port Commission authority to approve the appointment and removal of any and all heads of departments or bureaus made by the Executive Director.

Port Commission Resolution 94-14 provides for the approval of Kirk Bennett to be temporarily appointed in an Acting capacity to the 9384 Director, Tenant Services position, effective February 8, 1994.

The 9384 Director, Tenant Services position is vacated effective February 3, 1994 by Michael Janis who voluntarily resigned for other employment. While the Executive Director is conducting a search for a replacement, Kirk Bennett who is the Port's Senior Property Manager at Fisherman's Wharf has been assigned to temporarily act as the Director, Tenant Services.

RECOMMENDATION

Approve the proposed temporary appointment of Kirk Bennett to the 9384 Director, Tenant Services position effective February 8, 1994.

EXECUTIVE DIRECTOR'S RECOMMENDATION	COMMISSION ACTION REQUIRED		COMM. ACTION TAKEN
			Date. . . . .
	x	Resolution	Approved
		Ordinance	Disapproved
		Information Only	Continued

SECRETARY

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-14

Whereas, Charter Section 3.581 grants the Port Commission authority to approve the appointment of any and all heads of departments or bureaus made by the Executive Director; and

Whereas, the department head position in class 9384 Director, Tenant Services is vacated effective February 3, 1994 by Michael Janis; and

Whereas, the Executive Director seeks approval for the temporary appointment to the Director, Tenant Services position, Kirk Bennett, the Port's Senior Property Manager at Fisherman's Wharf while conducting a search for a permanent replacement.

Now therefore Be It Resolved, that the Port Commission approves the temporary appointment of Kirk Bennett in the Director, Tenant Services position effective February 8, 1994.

I Hereby Certify that the foregoing resolution was adopted by the San Francisco Commission at its meeting of February 8, 1994.

_____
Commission Secretary

(RES-PER.WP5)

City and County of San Francisco

SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Subject: Approval of Delancey Street Lease for Pier 36

Meeting Date: February 8, 1994
Agenda Item No.: 5A
Res. No.: 94-19

Submitted By: Kirk Bennett
Acting Director, Tenant Services

AGENDA CLASSIFICATION

_____ Executive	_____ Internal Services
_____ Cargo Services	_____ Legal
__X__ Tenant Services	_____ Other
_____ Planning and Community Affairs	

BACKGROUND

The Delancey Street Foundation, Inc. proposes to lease 29,812 sq. ft. of shed space and 38,234 sq. ft. of open pier space at Pier 36 for the storage of materials and supplies to support their operations located directly across The Embarcadero. This lease will provide for a 5-year term and an initial monthly rental of $3,577.44, with annual cost of living increases. The combined net effective rent is $0.05 per square foot, which compares to the minimum net effective rates set by the Port Commission of $0.35 for shed space and $0.15 for open pier. However due to the current condition of Pier 36, its marketability is limited.

During the first year of the lease, the Port will make minor repairs to the roof and rain gutters, at an estimated cost of $6,000.00. Delancey Street, however, will bear the responsibility of ongoing repairs and maintenance, including the roof. With the exception of this one time roof repair, Delancey Street will lease the premises "as is".

RECOMMENDATION:

Adopt the attached Resolution authorizing the Executive Director to execute a standard form lease between the Port and The Delancey Street Foundation, Inc. which includes the business terms indicated above.

EXECUTIVE DIRECTOR'S RECOMMENDATION	**COMMISSION ACTION REQUIRED**	**COMM. ACTION TAKEN**
DPB	_____ Motion	**Date.** . . . . .
	_____ Resolution	Approved _____
	_____ Ordinance	Disapproved _____
	_____ Information Only	Continued _____

_____
SECRETARY

CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-19

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for those leases which are set forth on the agenda summary sheet for agenda item: 5A.

RESOLVED, that the Port Commission hereby approves those lease set forth in the agenda summary sheet for agenda item 5A, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I HEREBY CERTIFY that the foregoing resolution was approved by the San Francisco Port Commission at its meeting of February 8, 1994.

_____

Secretary

City and County of San Francisco

SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Subject: Approval of RFP for Curb Space Permits Fisherman's Wharf

Meeting Date: February 8, 1994
Agenda Item No.: 5B
Res. No.: 94-20

Submitted By: Kirk Bennett
Acting Director, Tenant Services

AGENDA CLASSIFICATION

_____ Executive
_____ Cargo Services
_X_ Tenant Services
_____ Planning and Community Affairs
_____ Internal Services
_____ Legal

BACKGROUND:

An important initiative for Fisherman's Wharf is to enhance the control and the revenue produced from the use of curb space at Fisherman's Wharf for soliciting and conducting commercial operations. Such commercial operations are essentially of two types: (1) pedicabs, which provide primarily point-to-point transportation (similar to taxis), and (2) land tours, which offer primarily round-trip excursions for amusement and entertainment (including horse-drawn carriages, motorized cable cars, and buses).

The first step in this initiative was the resolution of the long standing matter of pedicabs, who had been soliciting and operating on Port property without an agreement with the Port and without paying rent to the Port. Agreements with the pedicab leasing companies holding permits from the San Francisco Police Department were negotiated and approved by the Port Commission, and these agreements have now been executed. (Continued on the next page.)

RECOMMENDATION:

Adopt the attached resolution authorizing staff to issue a RRP for the non-exclusive use of curb spaces at Fisherman's Wharf to operate land excursion businesses.

EXECUTIVE DIRECTOR'S RECOMMENDATION	COMMISSION ACTION REQUIRED	COMM. ACTION TAKEN
_____	___ Motion	Date. . . . .
	_X_ Resolution	Approved _____
	___ Ordinance	Disapproved _____
	___ Information Only	Continued _____

_____
SECRETARY

The second step was to amend the Harbor Code to clarify and strengthen the Port Commission's control of curb space on Port property. At its November 22, 1993 meeting, the Commission approved an amendment to the Harbor Code which provided that no commercial tour business or other operation can originate or solicit for tours on Port property without an agreement with the Port. Currently, such tours that use curb space at Fisherman's Wharf consist of two companies which have license agreements with the Port (Carriage Charters and Cable Car Charters) and one company which does not (Tower Tours). Additional firms have requested the right to use curb space at Fisherman's Wharf to operate land excursion tours.

The next step is establishing a comprehensive plan for the use of curb space at Fisherman's Wharf, and based on this plan, offering through a RFP process specific curb spaces for originating land excursion tours. The proposed comprehensive plan for use of curb space at Fisherman's Wharf is shown on the attached site plan. This plan shows the approved pedicab stands, and the bus loading and unloading zone for tours that bring visitors to (but not originating from) Fisherman's Wharf. It also identifies four spaces for solicitation and origination of three different types of land excursion tours, which are as follows:

Space A: Horse Drawn Carriages
Space B: Motorized Cable Cars
Space C: Motorized Cable Cars
Space D: Mini Tour Buses (32 ft. and under)

Spaces A, B, and D are currently being used for each respective type of land excursion. An additional space for motorized cable cars, Space C, is also proposed.

A separate non-exclusive permit will be issued for each of the above curb spaces and type of land excursion tours. The terms and conditions of the RFP and of the permit agreements, for which proposals are sought, are as follows:

1. **Term** - Month-to-month, commencing May 1, 1994.

   Planning is underway regarding improvements and traffic circulation around the Fisherman's Wharf Triangle. A new RFP for permits to use curb space at Fisherman's Wharf may be offered next year, when these improvements are completed. Thereafter, they would be reofferred every 3-5 years.

2. **Percentage Fee** - 10% of gross receipts, calculated and payable monthly, less the guaranteed monthly fee.

3. **Guaranteed Monthly Fee** - Proposers will be asked to propose the amount of guaranteed monthly fee that they would pay for the right to use the respective curb space. The minimum acceptable guaranteed monthly fee for each space is indicated below:

   a. Site A (Horse Drawn Carriages): $750.00
   b. Site B (Motorized Cable Cars): $3,000.00
   c. Site C (Motorized Cable Cars): $1,500.00
   c. Site C (Mini Tour Buses): $3,000.00

4. **Selection Criteria**

   a. Operations - 20%

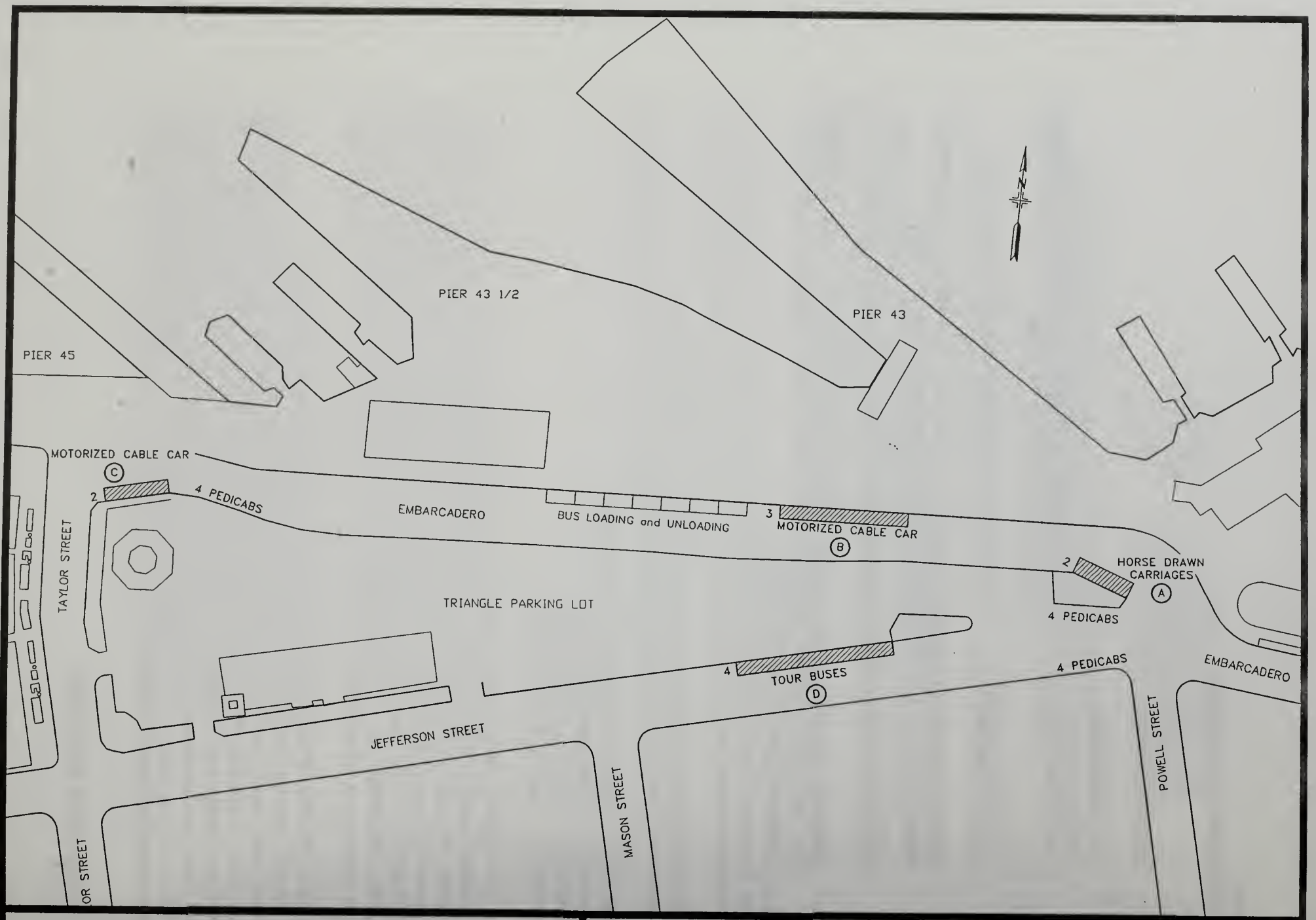
   b. Experience - 20% (Minimum experience: 2 years of continuous experience within the past 4 years)

   c. Consideration - 60% (Amount of guaranteed monthly fee proposed)

   Proposers may bid on more than one space, but permits will be awarded to three different operators, unless only one qualified proposal is received for any one space.

   Acceptable Affirmative Action Plan must be submitted by successful proposers.

5. **Insurance** - Comprehensive General Liability insurance coverage of at least $1,000,000 CSL, and Comprehensive Automobile Liability insurance coverage as required by the California Public Utilities Commission.



FISHERMAN'S WHARF
PROPOSED CURB SPACE PLAN

SAN FRANCISCO PORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-20

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Article 3 of the Harbor Traffic Code empowers the Port Commission to regulate use of curb space for operating businesses; and

WHEREAS, permitting the use of curb space at Fisherman's Wharf for originating land excursion tours has the potential to generate significant revenue to the Port.

RESOLVED, that the San Francisco Port Commission hereby authorizes staff to offer through a RFP process permits to operate land excursion business using curb space at Fisherman's Wharf in accordance with the terms set forth in the attached Agenda Summary Sheet as agenda item 5B.

I HEREBY CERTIFY that the foregoing resolution was approved by the San Francisco Port Commission at its meeting of February 8, 1994.

_____

Secretary

City and County of San Francisco

SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Subject: Authorization to Negotiate Lease
18-24 Month Pilot Program
Crafts Market at Pier 30-32

Meeting Date: February 8, 1994
Agenda Item No.: 5C
Res. No.: 94-21

Submitted By: Kirk Bennett
Acting Director, Tenant Services

AGENDA CLASSIFICATION

_____ Executive	_____ Internal Services
_____ Cargo Services	_____ Legal
__X__ Tenant Services	_____ Other
_____ Planning and Community Affairs	

BACKGROUND

Inquiries have been received for establishing an open air crafts market on Pier 30-32. The prospective operators have expressed interest in beginning this summer, without capital investment by the Port.

Accommodating public markets on the waterfront has long been discussed by the Port, and the best permanent site or sites for such markets are being studied by the Planning and Community Affairs Division. In the meantime, staff proposes that the Port authorize a 18-24 month demonstration pilot program for a crafts market on Pier 30-32. This pilot program will enable the financial viability and public acceptance of such a market to be assessed, and it will also produce significant revenues to the Port from a site which is currently underutilized. (Continued on next page.)

RECOMMENDATION:

Adopt the attached Resolution authorizing staff to negotiate a lease for a pilot program for an open air market, based upon the business terms outlined above.

EXECUTIVE DIRECTOR'S RECOMMENDATION	**COMMISSION ACTION REQUIRED**	**COMM. ACTION TAKEN**
_____	_____ Motion	**Date.** . . . . .
	_____ Resolution	Approved _____
	_____ Ordinance	Disapproved _____
	_____ Information Only	Continued _____

_____
SECRETARY

Staff proposes to contact and solicit offers for such a pilot program from the various entities who have contacted the Port, regarding the possible operation of an open air crafts market on Port property, and to then negotiate the most favorable lease for a pilot program which contains business terms within the following parameters:

1. Premises: Portion of Pier 30-32, as shown on the attached exhibit.

2. Term: 18-24 months, ending no later than December 31, 1995.

3. Use: Open air crafts market renting spaces principally for the sale of crafts, plus limited prepared foods and select retail items. Operation restricted to Saturdays, Sundays and holidays, March through December. Sponsorship of special events on weekdays or evenings possible.

4. Rent: Minimum of $25,000 per month, commencing upon completion of improvements, with a lower rent during the construction of the improvements.

5. Improvements: Tenant to make any necessary improvements at Tenant's sole expense.

6. Financial Security: Tenant to post a performance bond in an amount of no less than 6-12 months' rent.

The selection of the tenant for the pilot program would be based on the prospective tenants' (1) experience, (2) financial qualifications, (3) operating plan, and (4) the financial offer to the Port.

It should be noted that the proposed crafts market would not include produce or other unprepared foods, and it would not therefore be competitive with the farmer's market currently operating in front of the Ferry Building. It should be further noted that a lease must be concluded within the next thirty days in order for the crafts market to be viable during the 1994 season. As a result, it would be impractical to either bid the proposed lease or to issue an RFP.

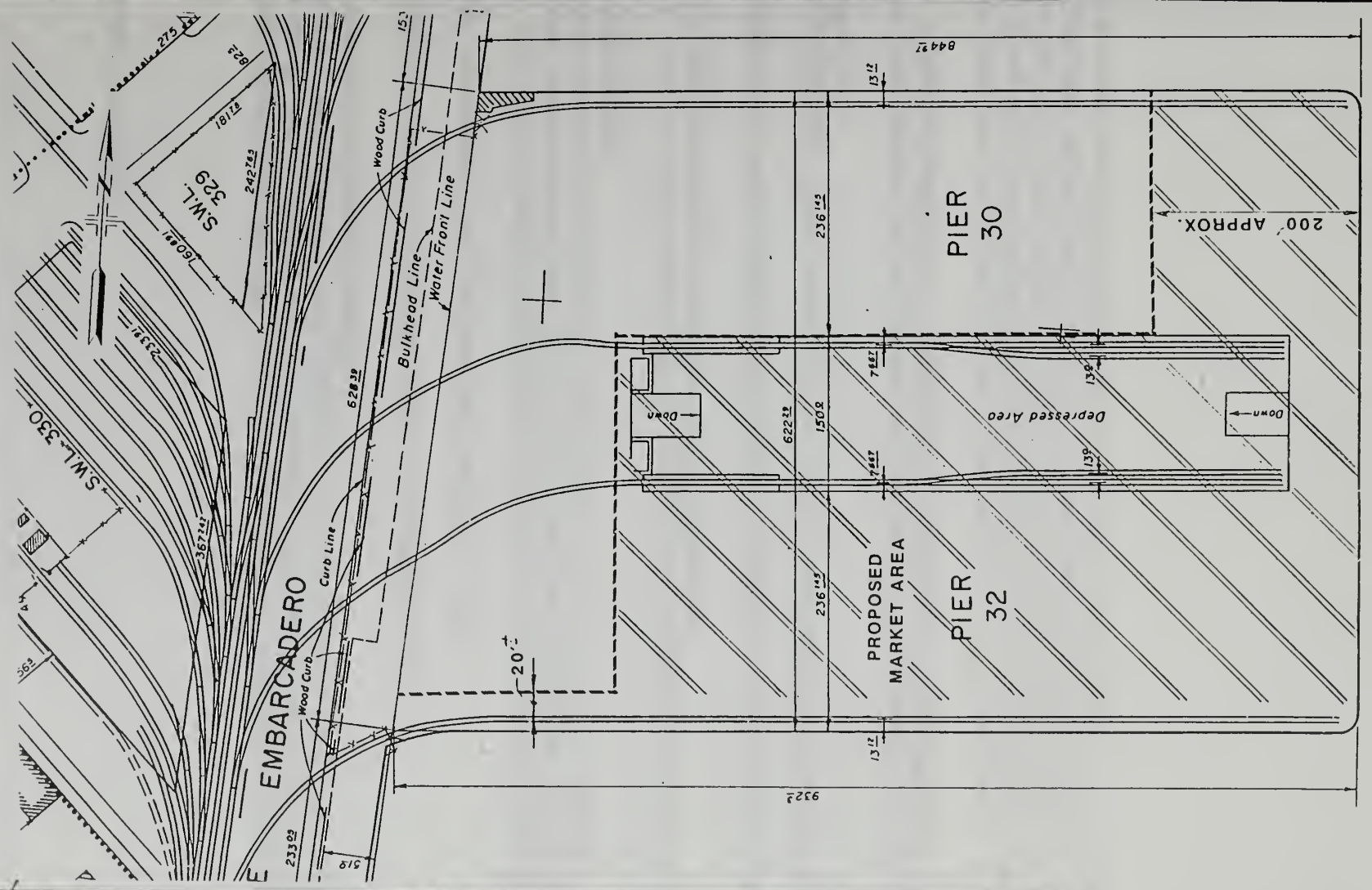


EXHIBIT A

NO.	DATE	DESCRIPTION	BY

TABLE OF CHANGES
CHECK TRACING FOR LATEST REVISION

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

CHIEF HARBOR ENGINEER

SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

PROPOSED CRAFTS MARKET AREA

DESIGNED BY:	CHECKED BY:
DRAWN BY:	DATE:
CONTRACT NO.	SCALE:
DRAWING NO.	SHEET NO. OF SHEETS

CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-21

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for those leases which are set forth on the agenda summary sheet for agenda item: 5C.

RESOLVED, that the Port Commission hereby approves those lease set forth in the agenda summary sheet for agenda item 5C, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I HEREBY CERTIFY that the foregoing resolution was approved by the San Francisco Port Commission at its meeting of February 8, 1994.

_____

Secretary

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Meeting Date: February 8, 1994
Agenda Item: 7A
Resolution No. 94-23

SUBJECT:
Resolution approving the issuance of a Request For Proposals ("RFP") for environmental review services for the renovation of the Ferry Building

Submitted by: Sharon Lee Polledri, Director of Planning, Development & Community Affairs

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AGENDA CLASSIFICATION

___ Executive	___ Internal Services
___ Cargo Services	___ Engineering
___ Tenant Services	___ Legal
_X_ Planning, Development & Community Affairs	

BACKGROUND
The historic renovation of the Ferry Building has been a long time goal of the City of San Francisco and the San Francisco Port Commission. The Port has been actively seeking various public grant funding sources to fund the preliminary design and environmental work for the project.

On May 26, 1993 the Port Commission adopted Resolution No. 93-69 authorizing the Port's Executive Director to apply for $1,000,000 in funds from the Transportation Enhancement Activities (TEA) Program of the Intermodal Surface Transportation Efficiency Act (ISTEA). The Ferry Building application was included in the final California Transportation Commission (CTC) staff recommendation in early August, 1993.

(continued)

RECOMMENDATION
Staff recommends approval of the attached resolution.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
_____	___ Motion	Date: _____
	_X_ Resolution	Approved: _____
	___ Ordinance	Disapproved: _____
	___ Information Only	Continued: _____

_____
Secretary

On August 5, 1993 the CTC adopted Resolution No. G-93-12 and STIP Amendment 92S-46, which approved the initial round of programming including the Port's $1.0 million application for the Ferry Building. The $1.0 million TEA grant will fund preliminary design, feasibility analysis, and environmental review of the project.

The environmental impacts of this project must be analyzed according to both the California Environmental Quality Act (CEQA) and, because of the use of federal funds, the National Environmental Protection Act (NEPA). The Port staff has already conducted the required "Field Review" of the project with Caltrans and Federal Highway Administration (FHWA) staff. Caltrans and FHWA have recommended the type and level of environmental review required for the project, which is reflected in the scope of work included in this RFP. The environmental analysis will primarily focus on the historic renovation, aesthetic and transportation aspects of the project.

An Environmental Impact Report (EIR) was previously prepared for the Continental Development Corp. proposal to renovate the Ferry Building, and was certified by the City Planning Commission in 1983. This EIR document will be a helpful starting point for the current analysis, particularly since the Continental proposal involved a much larger project (including the Ferry Building, the Agriculture Building, Pier 1, and SWL 351).

There are several aspects of the environmental review work that could potentially be performed by City departments, including the Office of Environmental Review (OER) and the Department of Real Estate. The Port will be negotiating with these departments to determine the scope of work that each could potentially perform.

The Port staff is requesting the Commission's approval to issue the RFP in substantially the form attached hereto. A copy of the RFP is attached for the Commission's review and approval.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-23

WHEREAS, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) makes federal funds available for transportation enhancements through the Transportation Enhancement Activities (TEA) program; and

WHEREAS, the California Transportation Commission (CTC) has responsibility for programming the TEA funds; and

WHEREAS, the Port Commission approved Resolution No. 93-69 on May 26, 1993 authorizing the staff to submit an application to the TEA program for $1,000,000 for planning, engineering and environmental analysis for the renovation of the Ferry Building; and

WHEREAS, the CTC adopted Resolution G-93-12 and STIP Amendment 92S-46 on August 5, 1993 which approved the initial round of funding for the TEA Program and included the $1,000,000 Ferry Building application; and

WHEREAS, the Ferry Building renovation must be evaluated to assess its potential environmental impacts, pursuant to the California Environmental Quality Act (CEQA) and the National Environmental Protection Act (NEPA); and

WHEREAS, given the results of meetings with Caltrans and Federal Highway Administration (FHWA) officials it is anticipated that an Environmental Assessment (EA) / Environmental Impact Report (EIR) will be required;

NOW, THEREFORE BE IT RESOLVED, that the Port Commission approves the issuance of a Request For Proposals ("RFP") in substantially the form attached hereto for a consultant or team of consultants to evaluate the environmental impacts of the Ferry Building renovation; and

BE IT FURTHER RESOLVED, that the Port Commission authorizes Port staff to enter into negotiations with the highest ranked consultant identified through the RFP process; and

BE IT FURTHER RESOLVED, that the Port Commission authorizes Port staff to negotiate with the Department of City Planning and the Department of Real Estate about providing some of the required services, and to contract with said departments if they are able to provide services in a timely and cost efficient manner; and

BE IT FURTHER RESOLVED, that any contract negotiated with a consultant shall be brought before the Port Commission for approval.

I HEREBY certify that the foregoing resolution was adopted by the San Francisco Port Commission at its regular meeting of February 8, 1994.

_____
Commission Secretary

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Meeting Date: February 8,1994
Agenda Item: 7B
Resolution No. 94-24

SUBJECT:
Approval to enter into Grant Application from the State Water Resources Agency, with the Friends of Islais Creek for a Creek Bank Restoration project. Grant the Friends of Islais Creek a Permit to Enter Port Property along the Islais Creek Channel at Quint Street.

Submitted by: Sharon Lee Polledri, Director, Planning, Development and Community Affairs

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AGENDA CLASSIFICATION

_____	Executive	_____	Internal Services
_____	Cargo Services	_____	Engineering
_____	Tenant Services	_____	Legal
X	Planning , Development & Community Affairs		

BACKGROUND
The Friends of Islais Creek, a volunteer citizen organization, in affiliation with the Urban Creeks Council, has requested that the Port of San Francisco be a co-grantee on a $50,000 grant from the State of California Resources Agency.

The Friends of Islais Creek have been studying the western end of the Islais Creek Channel for a number of years. The group is a

(Continued)

RECOMMENDATION
Staff recommends approval of the attached resolution.

Executive Director's Recommendation:	Commission Action Required:		Commission Action Taken:	
_____	_____	Motion	Date:	_____
	X	Resolution	Approved	_____
	_____	Ordinance	Disapproved	____
	_____	Information Only	Continued:	_____

_____
SECRETARY

volunteer organization, spear-headed by Ms. Julia Vera. The group, under the direction of the Urban Creeks Council received an initial $50,000 planning grant from the Resources Agency in 1989. With these resources, the Friends conducted a design charette which highlighted a series of design goals and objectives for the western end of the creek. While the planning document has not been formally adopted by the Port Commission or other agencies, the document has provided a mechanism for the Friends to negotiate with development sponsors on the Creek for the creation of public access and improvements consistent with the planning and design document.

The Friends are now prepared to implement a pilot, open space project on the southern side of the Channel. The grant will be used to restore a natural setting, enhancing the stabilization of the creek bank, on Port property along the southern edge of the Islais Creek channel at Quint Street. The Friends have modified the original design submitted to the Port for a site development permit, deleting the proposed wetlands and marsh area. The new project entails the planting of native vegetation and creating paths, berms and benches accommodating the public on the site.

The Port Commission has previously reviewed the project, and under advice from the City Attorney, granted the Friends a limited permit to enter for soil testing (Resolution No. 92-79). The soils tests indicated that the site contains moderate levels of some pollutants that can be mitigated during the preparation of the site by mounding new, clean soil over the site. The Department of Public Health has reviewed the test and has requested the Friends prepare a mitigation plan showing what will be done with contaminants on the site. The Friends will prepare a mitigation plan, in accordance with the certified Negative Declaration, which entails limited excavation on the site and importing of clean soil for landscaping.

IMPLICATIONS OF PROJECT.

1. Future Use of the Property.

The Grant Agreement requires the Port to maintain the project in perpetuity (or for 66 years, pursuant to the Burton Act). If the Port Commission were to use the property for another purpose, it would be required to compensate the State for the grant amount ($50,000), or replace the project in-kind in the surrounding area.

This site, in the early 1980's was identified as part of the Islais Creek Train Trestle project. A BCDC permit was secured to build a new freight rail lead into the ICTF and the Southern Container Terminal through the Friends site (running along the eastern edge of the proposed project), along Islais Creek and connecting to new rails in Rankin Street and then on to the main

rail lines. This alignment was intended to straighten out the reversing "S-curve" configurations of the current rail lead along Quint street making rail movements into the Southern Container Terminal more efficient.

If the freight rail leads to the north of this area (16th and Mariposa) are severed by development in Mission Bay, or the future construction of the Muni Metro East facility, all rail access to the Port will have to maneuver through the Quint Street or Rankin Street lead. If the number of train movements increase significantly in the future, this will make the Rankin project a more important, long range capital improvement.

The project description for the open space project should be amended to include access through the site for construction of the Rankin Street rail lead and grant access to the site for other Port projects and uses consistent with the Public Trust. This provision, according to State Staff, will limit the possible reimbursable expenses to the Port in the future for the rail lead portion of the site.

2. On-going Maintenance Costs.

The Grant Agreement also requires the Port to maintain the project. The Port can assign its maintenance responsibilities to the Friends with the approval of the State. The State is willing to release the Port from its maintenance obligations if it is satisfied that the Friends have the financial and organizational strength to satisfy the maintenance obligations. This may be possible through the Urban Creeks Council support of the Friends project. Currently, there is little to no maintenance on the site other than picking up debris..

3. Potential Environmental Risks.

Initial environmental investigations of the site found low levels of lead and other soluble contamination. The negative declaration under the California Environmental Quality Control Act (CEQA) and the design of the project anticipate placing contaminated soil in berms, covered with layers of clean top soil and vegetation. A mitigation plan must be reviewed and approved by the Department of Public health, prior to the issuance of a Right to Enter and Site Development permits from the Port.

However if during lanscaping work on the site, higher levels of contamination are found than in the initial study, the Regional Water Quality Control Board could order the site to be cleaned up. Given the budget for the project, there aare negligible resources for the increased costs of disposal and remediation. The Port could be required by the Regional Board to mitigate the site if higher levels of contamination are found.

RECOMMENDED ACTION.
Authorize the Executive Director to execute the necessary grant agreements with the Friends of Islais Creek and the State Resources Agency. Also authorize the Chief Harbor Engineer to execute a right to enter permit with the Friends. Both approvals should be granted with the following conditions --

A. Ensure the design of the open space project will allow the Port the flexibility in the future to construct and maintain a rail line through the property;

B. The Friends organization should comply with the Negative Declaration issued under CEQA by the Department of City Planning (NO. 92.099E);

C. Friends organization broadly indemnify the Port from any claims arising out of the project, including physical injury, environmental, and future as well as claims from the Port's indemnification of the State;

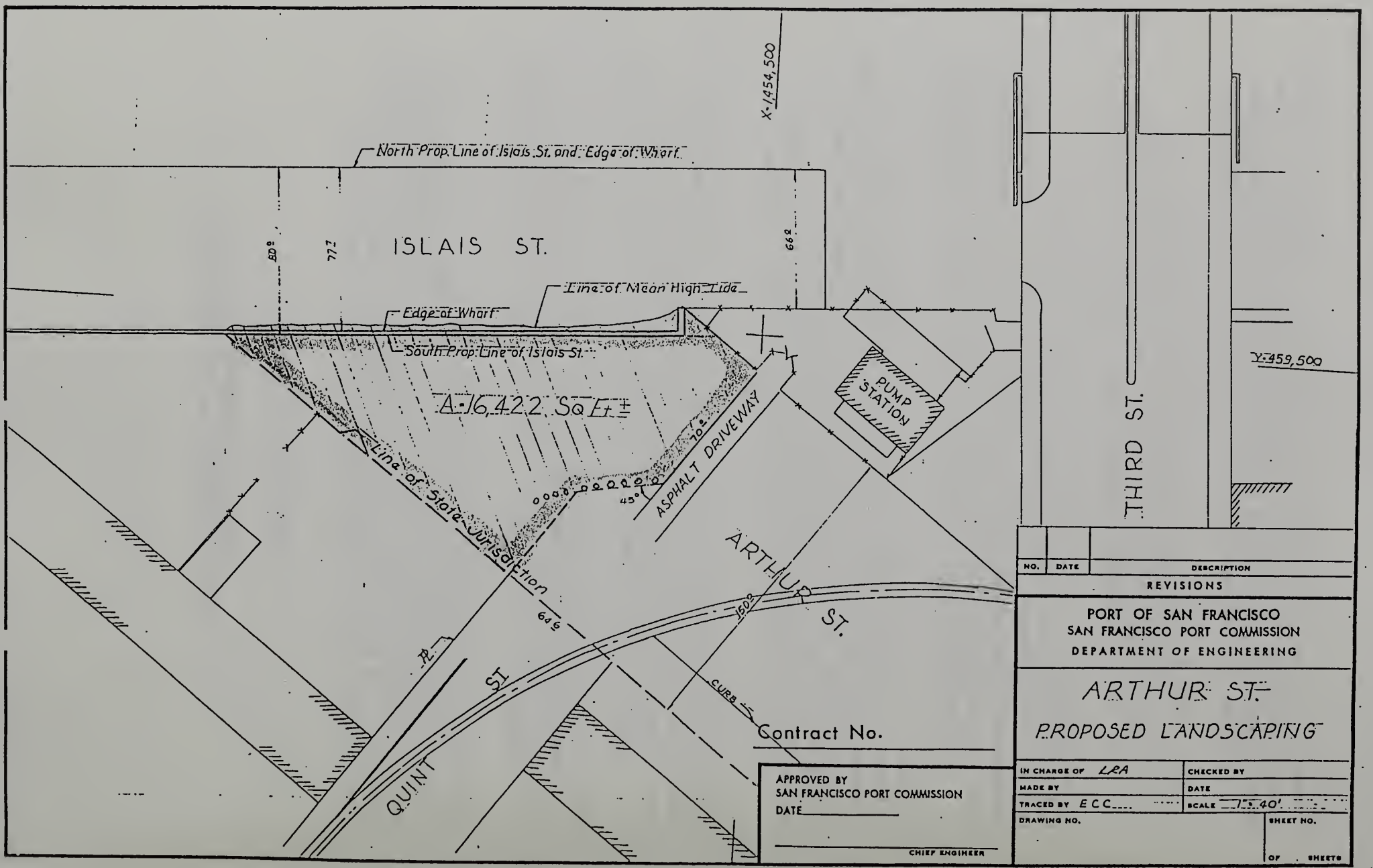
D. Require any laborer or contractor working on the project first execute a release and waiver of claims. As part of the release, the Friends organization should develop and implement a Mitigation Plan and a Health and Safety Plan satisfactory to the Port;

E. Require the Friends organization maintain adequate insurance to cover (1) any claims arising out of the construction of the project, and (2) its indemnity obligations to the Port and the State;

F. Require the Friends organization to assume all maintenance obligations under the Grant Agreement. State should also approve the assumption and relieve the Port of such obligations in conjunction with the assignment;

G. Require review and approval of all work done on the site, as well as copies of all invoices submitted to the State for reimbursement.

H. Require the Friends organization to provide adequate documentation of its composition as a legal entity.



~13,000 ft² ≈ ½ acre

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

Resolution # 94-24

AUTHORIZING THE EXECUTIVE DIRECTOR OF THE PORT OF SAN FRANCISCO TO ENTER INTO A GRANT AGREEMENT FROM THE STATE WATER RESOURCES AGENCY, WITH THE FRIENDS OF ISLAIS CREEK FOR A BANK STABILIZATION PROJECT AND A PERMIT TO ENTER BETWEEN THE PORT AND FRIENDS OF ISLAIS CREEK ON PORT PROPERTY ALONG THE ISLAIS CREEK CHANNEL AT QUINT STREET.

WHEREAS, the Friends of Islais Creek, in association with the Urban Creeks Council has received approval from the State Water Resources Agency for $50,000 to restore a portion of the bank along Islais Creek on Port property;

WHEREAS, the Friends of Islais Creek requests that the Port Commission enter into the both the grant from the Water Resources Agency for the bank stabilization project and grant them a right to enter permit to allow implementation of the project ;

WHEREAS, the City's Environmental Review Officer has reviewed the project and granted the project a Negative Declaration (NO. 92.099E) under the California Environmental Quality Control Act. The Declaration has several mitigation measures that must be carried out by the Friends of Islais Creek in the implementation of the project;

NOW THEREFORE BE IT RESOLVED, that the Port Commission does hereby authorize the Executive Director of the Port to execute a grant agreement with the Friends of Islais Creek and the State Water Resources Agency, subject to approval by the City Attorney and incorporating any additional requirements;

AND BE IT FURTHER RESOLVED, that the Port Commission has reviewed and approves the Negative Declaration (NO. 92.099E), with mitigation measures, for the Friends of Islais Creek project;

AND BE IT FURTHER RESOLVED, that the Port Commission does hereby authorize the Executive Director and the Chief Harbor Engineer to execute permits to enter subject to the approval of the City Attorney to allow the Friends of Islais

Creek entrance onto Port property for the purposes of implementing the project with the following conditions:

A. Ensure the design of the open space project will allow the Port the flexibility in the future to construct and maintain the Rankin Street rail lead through the property;

B. The Friends organization should comply with the Negative Declaration issued under CEQA by the Department of City Planning (N0. 92.099E);

C. Friends organization broadly indemnify the Port from any claims arising out of the project, including physical injury, environmental, and future as well as claims from the Port's indemnification of the State;

D. Require any laborer or contractor working on the project first execute a release and waiver of claims. As part of the release, the Friends organization should develop and implement a Mitigation Plan and a Health and Safety Plan satisfactory to the Port;

E. Require the Friends organization maintain adequate insurance to cover (1) any claims arising out of the construction of the project, and (2) its indemnity obligations to the Port and the State;

F. Require the Friends organization to assume all maintenance obligations under the Grant Agreement. State should also approve the assumption and relieve the Port of such obligations in conjunction with the assignment;

G. Require review and approval of all work done on the site, as well as copies of all invoices submitted to the State for reimbursement.

H. Require the Friends organization to provide adequate documentation of its composition as a legal entity.

I HEREBY CERTIFY that this resolution was adopted by the San Francisco Port Commission at its meeting of February 8, 1994.

_____

Secretary

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

SUBJECT: Recommendation regarding an appointment to the Port Commission's Waterfront Plan Advisory Board

Meeting Date: February 8, 1994
Agenda Item: 9b
Resolution No: 94-25

SUBMITTED BY: Dennis Bouey, Executive Director

AGENDA CLASSIFICATION

___ Executive Director's Report
X Planning and Community Affairs
___ Cargo Services
___ Other
___ Internal Services
___ Tenant Services
___ Legal

BACKGROUND:

On May 22, 1991, the Port Commission approved appointment of 27 members to the Waterfront Plan Advisory Board. Twelve members of the Advisory Board were appointed by the Board of Supervisors (one by each member of the Board, with the President appointing two members), and the Chair of the Advisory Board was appointed by the Mayor. The Port Commission appointed the remaining fourteen members of the Advisory Board.

Until December 1993, Brian McWilliams served on the Advisory Board as Supervisor Terence Hallinan's representative. Due to other pressing responsibilities, Mr. McWilliams has resigned from the Advisory Board.

Supervisor Hallinan has selected George Romero to fill Mr. McWilliams's seat. A copy of Mr. Romero's application is attached for your information.

RECOMMENDATION:

The staff recommends that the Port Commission approve Mr. Romero's appointment to the Waterfront Plan Advisory Board.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
CMB	___ Motion	Date: _____
	X Resolution	Approved: _____
	___ Ordinance	Disapproved: _____
	___ Information Only	Continued: _____
		_____ Secretary

L:98agenda

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-25

WHEREAS, the Port Commission approved Resolution No. 91-36 on May 22, 1991 which established a Waterfront Plan Advisory Board; and

WHEREAS, the members of the Board of Supervisors appointed a total of twelve of the members of the Advisory Board, the Mayor appointed the Chair of the Board, and the Port Commission appointed the remaining fourteen members of the Advisory Board; and

WHEREAS, in December 1993, Brian McWilliams, representing Supervisor Terence Hallinan, resigned from the Advisory Board; and

WHEREAS, Supervisor Hallinan has selected George Romero to replace Mr. McWilliams on the Advisory Board;

NOW, THEREFORE BE IT RESOLVED, that the Commission does hereby approve George Romero as a replacement member to the Waterfront Plan Advisory Board.

I HEREBY CERTIFY that the foregoing resolution was adopted by the San Francisco Port Commission at its regular meeting of February 8, 1994.

_____
Commission Secretary

APPLICATION

ADVISORY BOARD TO THE SAN FRANCISCO PORT COMMISSION

ON THE WATERFRONT PLAN

If you are interested in being appointed to the Waterfront Plan Advisory Board, please submit the following information to the Port Commission Waterfront Plan Advisory Board Subcommittee, Ferry Building Suite 3100, San Francisco, California 94111 by April 12, 1991.

1. Name: George Romero
2. Home Address: 140 Maywood Drive
   San Francisco, Ca 94127
3. Home Phone Number: (415) 333-6842

4. Name of Business:	ILWU Local 10	George E. Romero Attorney at Law
5. Business Address:	400 Northpoint San Francisco, Ca 94133	140 Maywood Dr. San Francisco, Ca 94127
6. Business Phone Number:	(415) 776-8100	(415) 333-6842
7. Position:	Vice President / Longshoreman	Attorney
8. Number of years in position:	2 / 20	12

9. Community or Professional Affiliations (Use separate sheet if necessary.)

   1. Longshoremans Memorial Assn. Sec. Treas.
   2. Board of Governors Fishermans Wharf Merchants Assn.
   3. California State Bar Association

10. Please list any public or civic advisory board or committee that you have served on, and state the length of time, and whether you held an officer's position.

   1. Juvenile Justice Commission - Treasurer 3 years
   2. S.F. Youth Needs Assessment - 2 years Chairman
   3. Delinquency Prevention Commission 3 years
   4. CAC Fishermans Wharf Planning Task force 3 years
   5. Board of Governors FWMA Planning Chair 2 years
   6. Mission Mental Health Community Advisory Board 4 years

11. Although the Port will do everything possible to ensure that your time is used efficiently, we estimate that members of the Waterfront Plan Advisory Board will have to commit a minimum of 5 to 10 hours per month for at least 18 months for meetings and review of materials. Can you personally commit that amount of time to the process?

Yes ✓ No_____

12. Please identify any special knowledge or interest that you have relative to waterfront land use issues (e.g., maritime industries, local or regional planning, transportation, public finance, environmental, development, recreation, urban design, engineering, financial analysis, economic development, or other), Port operations, or community affairs that would contribute to the work of the Waterfront Plan Advisory Board.

Note: Special knowledge is not a pre-requisite to appointment. The planning process will require that all Advisory Board members become informed about all issues relevant to the Waterfront Plan. This question is intended to assist the Port in determining the relative starting points of the applicants.

Twenty years as a longshoreman has given me specific knowledge of the cargo handling requirements of the maritime industry and the role of labor unions. Active participation in the planning process for the Northern Waterfront, from initial consideration of Redevelopment as a financing mechanism thru the Mayor's current assignment of the Port as lead agency, has given me familiarity with all the issues listed. I have insight into the legal context within which we all operate. I've also worked as a community organizer with the Mission Coalition and Model Cities.

13. Please rank your relative ability to represent various diverse interests in the use of San Francisco's waterfront. The area or interest which you consider yourself most able to represent should be ranked 1. If you do not have special knowledge, experience or interest in a category lised below, leave it blank. Twelve interests are listed alphabetically. Please add any interest that you feel should be represented on the Advisory Board.

3 Civic and/or Neighborhood Organizations or Interests
(Please specify Civic Pride of a Native / Fisherman's Wharf Merchants Assn.

7 Commercial Recreation.
Circle one: Retail, Restaurants, Museums, Other (Please specify Members of the Assn.

_____ Economic Development

8 Environmental

2 Labor Unions

_____ Planning and Construction Professionals (Architect, Engineer, Urban Design, Land Use Planning)

6 Port Tenants (Please specify: Members of The Merchants Assoc.)

_____ Public Finance

4 Public Outreach/Community/Information Services

5 Public Recreation and Access

_____ Real Estate Management and Development

1 Shipping and Water-Dependent Industries. Circle applicable industry: (Shipping) (Cargo Handling) (Cruise Industry) Ship Repair, Ferry Service, Excursion Boats, Fishing, Other (Please specify_____)

_____ Other (Please specify: The interests of Young people in employment and training.

_____ Other (Please specify:_____

_____ Other (Please specify:_____

14. Please explain what special knowledge or experience you have with respect to the top three ranked interests which you consider yourself most able to represent.

1. During 20 years as a longshoreman I've participated in the evolution of the industry from general cargo to containerization and witnessed the general decline of our Maritime port operation.
2. I've actively participated in my Union, the International, the interests of the members, the benefits of a stable Unionized workforce and the contributions Unions make to maintaining quality of life.
3. I have a strong civic interest in maintaining San Francisco as a maritime presence, building on the progress made recently and maximizing the remaining opportunities.

15. Are there any projects, contracts, clients or other affiliations that you have or have had in the past, that you think would interfere with your ability to be impartial in providing advice to the Port Commission on the Waterfront Land Use Plan?

Yes_____ No_____ Maybe /

Please explain if you checked "yes" or maybe As I've indicated I am especially interested in an enhanced maritime operation so I would be partial to maritime uses. I would not however, insist on a particular maritime use if I was convinced that another use was more beneficial.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Meeting Date: February 8, 1994

Agenda Item: 9-A

SUBJECT: Approval of San Francisco Port Commission Rules of Order

SUBMITTED BY: Dennis P. Bouey, Executive Director

AGENDA CLASSIFICATION

X Executive	___ Internal Services
___ Cargo Services	
___ Tenant Services	___ Legal
___ Planning and Community Affairs	

BACKGROUND:

At its January 12, 1994 meeting the San Francisco Port Commission requested that the Executive Director prepare and submit for its approval new Port Commission Rules of Order.

RECOMMENDATION: Approval of the attached San Francisco Port Commission Rules of Order.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
_____	___ Motion	Date: _____
	X Resolution	Approved: _____
	___ Ordinance	Disapproved: _____
	___ Information Only	Continued: _____

_____
Secretary

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-17

WHEREAS, the San Francisco Port Commission is a Commission of the City and County of San Francisco; and

WHEREAS, Section 3.500 of the Charter of the City and County of San Francisco provides that each board and commission shall have the powers and duties to prescribe reasonable rules and regulations not inconsistent with the City's Charter; and

NOW, THEREFORE, BE IT RESOLVED, that the San Francisco Port Commission hereby approves and adopts the attached Rules of Order; and

BE IT FURTHER RESOLVED, that said Rules of Order supersedes any previously approved and adopted Rules of Order by this Commission.

I hereby certify that the following Resolution was approved by the San Francisco Port Commission on February 8, 1994.

_____
COMMISSION SECRETARY

RULES OF ORDER

SAN FRANCISCO PORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

ARTICLE I

MEMBERS AND OFFICERS - ELECTIONS

1. There are five Commissioners duly appointed by the Mayor.
2. Among the Commissioners, a President and Vice President will be elected. They will serve a one-year term or until a successor is elected. Elections will be held every year at the first calendared meeting in January. No officer may succeed himself or herself to the same position for more than one term.

STAFF

1. There will be an Executive Director who is nominated by the Commission but approved by the Mayor, in accordance with the City Charter, Section 3.581(h). The Executive Director serves at the pleasure of the Commission for an indeterminate term.
2. There will be a Commission Secretary who is also appointed by the Commission under Section 3.500(h) of the Charter, and will serve at the pleasure of the Commission for an indeterminate term.
3. In accordance with Charter Section 3.585, the City Attorney shall be the legal advisor of the Commission. Special counsel may be appointed with the consent of the Mayor and the approval of the City Attorney.

ARTICLE II

MEETINGS

1. Regular meetings shall be held on the second and fourth Tuesdays of each month. Meetings will be held in the Commission Room, on the third floor of the Ferry Building, Suite 3100, at 4:00 p.m.

2. A resolution or motion must be adopted by a majority of the Port Commission members. Three members present constitute a quorum for transaction of business.

3. Whenever a special meeting is held at any place other than the regular meeting place, public notice of the time and place of such meeting shall be given at least 15 days prior to such meeting.

4. Special meetings of the Commission may be called at any time by the President or by a majority of the members of the Commission by delivering personally or by mail, written notice to each Member of the Commission and to each local newspaper of general circulation, radio or television station requesting notice in writing. Such notice shall be delivered personally or by mail at least 24 hours before the time of such meeting, as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meetings by the Commission. Such written notice may be dispensed with as to any Member of the Commission who, at or prior to the time the meeting convenes, files with the Secretary of the Commission a written waiver of notice. Such waiver may be given by telegram. Such written notice may also be dispensed with as to any Member of the Commission who is actually present at the meeting at the time it convenes.

5. At least 72 hours before a regular meeting, an agenda shall be posted containing a meaningful brief description of each item to be discussed or transacted at the meeting, shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public and at the public library.

ARTICLE III

PROCEEDINGS OF THE COMMISSION

1. All actions taken by the Commission shall be by resolution.
2. A record of the vote on any resolution or motion shall be made by a roll call vote of "ayes" or "no's" in the minutes of the Commission. The proceedings of the Commission shall be carried on in such a manner, and such dispatch as may be mutually agreeable to the Members of the Commission. Whenever requested by any Commissioner, Robert's Rules of Order shall be applied for the governing of any proceeding, and thereupon no resolution shall be considered or other action taken, until the same has been duly moved, seconded, and carried. All resolutions passed by the vote of the Commissioners present at any meeting shall be deemed to have been moved, seconded, and passed in due form.
3. Except this rule and such other of these rules of order as are restatements of the Rules of the Charter, ordinances or resolutions of the Board of Supervisors, or other positions of the law, any of these rules of Order may be suspended by the affirmative vote of the majority of the Members of the Commission, provided that such suspension is entered upon the Minutes of the Commission.
4. Privilege of the Floor may be granted to any member of the public, or officers of the City and County of San Francisco, or their duly authorized representatives for

the purpose of commenting on any questions before the Commission. The presiding officer may limit to three minutes the time allocated to each speaker, provided, however, that time may be extended with the consent of at least three Commissioners.

ARTICLE IV

COMMITTEES

1. The President may from time to time, appoint such advisory committees as will assist in the transaction of the business of the Commission.

ARTICLE V

PRESIDENT

1. The President shall be the official head of the San Francisco Port Commission, shall preside at all meetings and shall have the right to vote.
2. The President may call special meetings at his or her discretion and shall call meetings at the request of any three Members of the Commission.
3. The President shall be an Ex Officio Member of all committees.

VICE PRESIDENT

1. The Vice President shall act or perform all the duties of the President in case of absence or disability of the President.

SECRETARY

1. The Commission Secretary shall attend all regular and special meetings of the Commission and keep a true and accurate record of the proceedings and the Minutes of the meetings. Copies of the Minutes shall be typed and furnished to each Member of the Commission prior to the next stated meeting. Original copies

of minutes, bearing the signature of the Secretary shall, following approval, be bound and kept in permanent volumes, entitled "Minute Book".

2. The Commission Secretary shall also keep intact the original copy of, and index, all resolutions of the Commission, with a record thereon of the vote, or other action, and when convenient, shall bind such documents into permanent records in books entitled "Port Resolutions." All resolutions shall be in numerical order.

ARTICLE VI

AMENDMENTS

1. These rules may be amended by resolution passed by the Commission.
2. Copies of the amendments shall be mailed promptly to the Members of the Commission.

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SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA
FEBRUARY 8, 1994

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MINUTES

The Port Commission convened in special session at 4:10 p.m. with the roll call of members. Three Commissioners were present:

President Preston Cook
Vice President Anne Halsted
Commissioner Ming Chang-O'Brien

Before approving the minutes of the last meeting, to conform with the Sunshine Ordinance, Mr. Bouey presented another set of minutes reflecting the vote of each action item of the previous meeting. Commissioner Halsted accepted the amendment, moved approval, seconded by Commissioner Chang-O'Brien, and carried unanimously.

EXECUTIVE REPORT:

3A

The Executive Director reported on the following:

At the last Port Commission meeting, the Commission directed the Executive Director to meet with the CAO Rudy Nothenberg for the purpose of ascertaining if a commitment had been made by the CAO to contribute our share of the sewer project. In discussing the issue with the CAO, he indicated that such an offer was made contingent upon another project coming together. This project concerning Rincon Park, did not come to fruition. Mr. Nothenberg is of the opinion that since his commitment for the $1 million was predicated on the completion of that project, he is no longer obligated to credit the Port for the $1 million sewer project. That project may be revived and the CAO is willing to delay our payment until December 1995 when the Waterfront Roadway project is completed. At the same time Mr. Bouey advised Mr. Nothenberg that the Port retains the opportunity to develop that park site. Mr. Bouey also indicated that, if the Port develops the site, the $1 million will be due and payable to Mr. Nothenberg.

President Cook asked the minutes reflect that Commissioner Herman and Commissioner O'Neill arrived.

Commissioner O'Neill spoke to the issue and commended Mr. Bouey for getting the best of the situation for the Port and commented that this frees the Port to do other things with that property that could be income producing. Mr. Bouey replied that he made this clear to the CAO.

Mr. Bouey also dicsused with the CAO the concept of a plaza in front of the Ferry Building. The Citizen's Advisory Committee reviewed this issue some time ago and decided then it was inappropriate. A number of issues have since changed, most notably that the Port Commission will see that the Ferry Building is renovated. Again, in consultation with the CAO who is responsible for the waterfront, Mr. Bouey mentioned he will begin work on this issue.

Mr. Bouey also mentioned that AES, selectee of PG&E, would like to develop a cogeneration plant at Pier 94. Preliminary discussions have begun and the Port Commission will be advised on its progress.

3B

The Executive Director requested approval of temporary appointment of Mr. Kirk Bennett as Acting Director, Tenant Services, replacing Mr. Michael Janis. Mr. Bennett has been fulfilling this role for two weeks and doing a splendid job. Mr. Bouey estimates 90 to 120 days to fill the position on a permanent basis.

ACTION: Commissioner Herman moved approval, seconded by Commissioner Chang-O'Brien, carried unanimously.

President Cook expressed his appreciation for Mr. Bennet's work in this important position and asked staff's cooperation. Commissioner Halsted added that Mr. Bennett has the Commission's full support.

CARGO SERVICES

4A This item was put over to the next meeting.

TENANT SERVICES

5B

Mr. Bouey requested adoption of a resolution authorizing staff to issue an RFP for certain spaces at Fisherman's Wharf to allow the operation of horse drawn carriages, as well as motorized cable cars and mini tour buses.

ACTION: Commissioner O'Neill moved approval, seconded by Commissioner Halsted, carried unanimously.

Mr. Bob Werbe, Chairman of the Board of Gray Line requested clarification on the Selection Criteria of the RFP; "Proposers may bid on more than one space, but permits will be awarded to three different operators, unless only one qualified proposal is received for any one space." Gray Line is interested in bidding on the motorized cable cars on both spaces B & C. He assumed that there would be another bidder on horse drawn carriages and another bidder on mini tour buses. That would be 3 operators in 4 spaces. Mr. Bouey clarified that this should read four spaces. It was contemplated that the RFP would award separate licenses to spaces A, B, C and D. Mr. Werbe's interpretation was one operator should have

the potential to operate the two cable car spaces. Mr. Werbe was of the opinion that having one operator would maximize income to the Port and the operator. Mr. Werbe suggested getting competitive bids, where one person gets both locations.

Mr. Bennett explained the reasons for having two locations: 1. Maximize revenue to the Port. 2. Provide tourists at Fisherman's Wharf more choices and the opportunity for motorized cable cars to run at more than one location.

Commissioner O'Neill asked Mr. Werbe if, in his opinion, the Port would realize more revenue with one operator rather than two separate operators for the two spaces B and C. Mr. Werbe agreed it would be more viable.

Mr. Hagen Choi of Tower Tours indicated that his company uses space D less than an hour a day. He brings tourist from other part of the city to Fisherman's Wharf and does not solicit business at Fisherman's Wharf. Mr. Choi asked what the 10% of gross receipts would apply to. Mr. Bennett explained that businesses that solicit business or originate business on Port property, percentage rent equal to 10% would apply. If tours that originate and do not originate on Port property, then those tours do not have to pay the 10%. Tickets sold off Port property for tours originating on Port property are subject to the 10% of gross receipts.

Mr. Choi also inquired about the F-line construction and how it would affect space D. Mr. Bennett did not envision it affecting space D for several years. However, if a right-of-way is needed, the license agreement will be terminated.

Mr. Choi then brought up the pedicab issue. This issue was also mentioned by Mr. Werbe. Both Mr. Choi and Mr. Werbe were concerned with traffic congestion and safety factor created by the pedicabs.

Commissioner O'Neill advised Mr. Choi and Mr. Werbe that the pedicabs are licensed by the San Francisco Police Department and comments should be directed to the San Francisco Police Licensing Bureau for pedicabs.

Mr. Arnold Gridley, owner of Cable Car Charters, with 65 motorized cable cars and 20 buses. Mr. Gridley stated that he did not believe that two operators for spaces B and C would be proper. Mr. Gridley was in agreement with Mr. Werbe that one operator would generate more revenue to the Port as well as the operator and would also be more cost effective.

President Cook reminded Mr. Gridley that the Commission is not making a decision on an operator tonight. Commissioner Cook asked Mr. Gridley if he was in agreement with Mr. Werbe in having one operator for spaces B and C. Therefore, one will win and another will lose.

Mr. Bouey indicated staff would be amenable to the Commission amending the resolution to have one operator for spaces B and C. Commissioner Cook stated that since the two major operators are possibly the only two bidders that are in favor of that, this is appropriate to do.

At the completion of Mr. Gridley's presentation, President moved approval for an amended resolution to the RFP to allow one bid on site B and C, another bid on site A and another bid on site D, seconded by Commissioner Chang-O'Brien, carried unanimously

The Commission took a 5 minute break.

5C

Mr. Bouey presented for Commission approval authorization to negotiate a lease for an 18-24 month pilot program for a crafts market to be located at Pier 30-32. The purpose of this lease is to allow staff to negotiate an experimental program for a crafts market. There may be a market for this type of operation and staff will evaluate the performance of this venture. We do not want to duplicate the farmers market or have a flea market. Mr. Bouey explicitly noted that whoever is selected for the pilot program would receive no preference when and if an RFP is issued for a permanent open market concept.

Mr. John Bizzell expressed concern on the speed of this project; without first addressing potential problems such as traffic congestion, parking, type of clientele, ticket prices, number of booths, how businesses currently in the area will be impacted. These businesses have had to deal with ongoing construction. Mr. Bizzell was of the opinion that all these issues would be detrimental to residents in the area, as well.

Mr. David Weiss presented a positive view of a crafts fair at Pier 30-32. Mr. Weiss stated that his group would be happy to work with the people concerned over the traffic and parking problem. Mr. Weiss assured it would be a upscale market which would create jobs for over 1,000 people, including job opportunities for disabled veterans, as well as generate revenue to the Port. In addition, Mr. Weiss mentioned plans to re-pave the surface area of the pier and provide new electrical and plumbing services. Ships will still have unrestricted use of the dock space.

Mr. Bouey clarified that Mr. Weiss is one of the firms who contacted the Port on this project, there have been other firms, and there is no predisposition that Mr. Weiss' firm will be chosen. Mr. Bouey also mentioned that special events that have been scheduled during weekends will be negotiated with whoever gets final approval and those weekends will be exempted.

Ms. Nancy Allen of Nancy Ellen Enterprises and John McKay, owner of Sharna's in South Bay, were concerned with parking and traffic problems and would appreciate more information on these potential issues. Mr. McKay's other concern was the lease having to be negotiated within the next 30 days.

Commissioner Chang-O'Brien asked staff to comment in regard to the 30 days issue. Mr. Bennett responded that the season for crafts start at summer time and run through December. There is a need now to establish a lease arrangement which actually will not begin until May or June of this year but there is a lead time required to get the infrastructure completed. The concept is for an arts and crafts market patterned after the Portland Saturday market. There are by-laws and guidelines within that which will be negotiated into this agreement. Another criteria that is important is that this project does not become a flea market. There will be a review board for the vendors and their products, and the charges for the booths is significantly higher than those of a flea market.

Commissioner Chang-O'Brien then questioned how long the minimum rent issue will run for improvements. Mr. Bennett answered that this issue will be determined in the review of proposals. A minimum of $25,000 is expected or it may be more than that. Commissioner Chang-O'Brien suggested putting a cap on the length of the improvement period. Mr. Bennett expected the improvement period not to go beyond the end of June or earlier. The cost of improvements are in the range of several thousand dollars.

Commissioner Herman commented that based on the caliber of people involved in this project and the kind of commitment, it seems this would be a very worthwhile project for the Port as well as the citizens of the city. Commissioner Herman added that this project would give the businesses who had been adversely impacted by the significant amount of construction in the area an added attraction in what is now a barren site. People visiting the crafts fair would take advantage of going to the other businesses in the area as long as they're there. The amount of capital to be invested, including repairs, and the $25,000 monthly rent is quite impressive and doesn't sound like any fly-by-night operation. Commissioner Herman acknowledged that there might be some parking problems, but this can be worked out. Commissioner fully endorsed this project because aside with providing assistance to the Port, it will be extremely attractive to residents and businesses in the area and create new business and clientele.

Commissioner Halsted shared Commissioner Herman's enthusiasm and would rely on staff and the Executive Director to provide more details on arrangements to be made.

Shelley Solieri, a member of the Citizen's Advisory Committee, supported such a project in terms of revenue and attracting more people to our waterfront. It will also bring regional business to the Port that was lost in the Loma Prieta earthquake.

Eric Trostler of Trostler Facilities offered his assistance in getting any information and proposals out to the businesses in the area very quickly so that we can get immediate feedbacks.

Commission Cook clarified that this is not an RFP but a process to allow staff to negotiate a lease to whomever would like to come forward and it is for a limited period of time.

Commissioner O'Neill pointed out that the Port of San Francisco donated land in South Beach for housing at a nominal rental. This would show Port's commitment to the South Beach community. The above project is a temporary program and the area will be enhanced considerably with the projected improvements.

Commissioner Herman remarked that this project provides the Port income while awaiting possible development of a cruise terminal or a return of maritime uses. This is not a huge capital improvement, so if something comes along that requires or permits maritime uses, the project can be cancelled without the investors losing a large sum of money.

Commissioner Cook moved approval, seconded by Commissioner Chang-O'Brien, carried unanimously.

ENGINEERING

PLANNING DEVELOPMENT & COMMUNITY AFFAIRS

7A

Mr. Bouey presented a resolution for Commission approval of issuance of a Request for Proposals for environmental review services for the renovation of the Ferry Building.

ACTION: Moved approval by Commissioner Herman, seconded by Commissioner Halsted, carried unanimously

7B

Mr. Bouey requested approval to executive a grant agreement with the State Water Resources Agency and Islais Creek group in the amount of $50,000 to make certain improvements along Islais Creek Channel.

ACTION: Moved adoption by Commissioner Chang-O'Brien, seconded by Commissioner O'Neill, carried unanimously

CONSENT CALENDAR

9A

Commissioner Cook next presented for approval minor changes to the Rules of Order of the San Francisco Port Commission. Commission regular meetings will now be held on Tuesdays. Commissioner Chang-O'Brien recommended the language in the sentence under item #2, Article I, be amended to read "No officer may serve for more than two years consecutively in the same office." Moved approval by Commissioner Chang-O'Brien, seconded by Commissioner Herman. Commissioner Cook called the question on the amendment. There were 4 yes votes with 1 dissenting vote by Commissioner O'Neill.

ACTION: Moved approval by Commissioner Halsted of Resolution No. 94-17 as amended, seconded by Commissioner Chang-O'Brien, carried unanimously.

9B

ACTION: Moved approval by Commissioner Chang-O'Brien, seconded by Commissioner Halsted, carried unanimously.

EXECUTIVE SESSION:

At 5:50 p.m., City Attorney Van Nostern announced the Commission would withdraw to executive session for discussion of two items:

1. Real property negotiations between the Port and Southwest Marine, Inc. a California corporation at Pier 70. This is specifically authorized under California Government Code Section 54956.8.

2. Potential litigation between the Port and Catellus Development Corporation arising out of the respective parties' rights and obligations pursuant to the Agreement to License and to Option and the Irrevocable License Agreement Mission Bay Wetlands Park. This is specifically authorized under California Government Code Section 54956.9, subdivision (b)(1) and (2)(c).

Commissioners Cook, Halsted and Chang-O'Brien returned from executive session, and convened in public session at 6:30 p.m. Commissioner Halsted reported that no action was taken on the two issues for discussion. Commissioner Herman and O'Neill were not present.

The Commission meeting adjourned at 6:32 p.m.

2/9/94

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NOTICE OF CANCELLATION

REGULAR MEETING - WEDNESDAY, FEBRUARY 9, 1994

SAN FRANCISCO PORT COMMISSION

3100 FERRY BUILDING, SAN FRANCISCO, CALIFORNIA

SAN FRANCISCO PORT COMMISSION
FERRY BUILDING, SUITE 3100
THE EMBARCADERO, SAN FRANCISCO

American sign language interpreters will be available upon request. Please contact Frank Palumbo at VOICE (415) 274-0559 at least 72 hours prior to the meeting. Late requests will be honored if possible.

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SF
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#1
2/22/94

SAN FRANCISCO PORT COMMISSION

REGULAR MEETING TUESDAY
4:00 P.M. FEBRUARY 22, 1994
3100 FERRY BUILDING,
SAN FRANCISCO, CALIFORNIA

AGENDA

DOCUMENTS DEPT.
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1. **ROLL CALL**

2. **APPROVAL OF MINUTES**

3. **EXECUTIVE**
   A. Executive Director's Report

   B. Request for Proposals for the selection of underwriters for a Negotiated Sale of Bonds to refund outstanding Revenue Bonds Series A, B and C — Resolution No. 94-26

   C. Resolution of Commendation to Michael Janis for outstanding service to the Port of San Francisco as Director of Tenant Services — Resolution No. 94-18

   D. Resolution of Commendation to Elizabeth Day for outstanding service to the Port of San Francisco as Secretary to the San Francisco Port Commission — Resolution No. 94-22

4. **CARGO SERVICES**

5. **TENANT SERVICES**
   A. Approval of lease with Delancey Street Foundation, Inc. for storage purposes on Pier 36 (located near Townsend Street) — Resolution No. 94-19

6. **ENGINEERING**
   A. Contract No. 2593, "Pier 45 Earthquake Repair Project, Pier and Building Repair," award of contract to Arntz Construction at a cost of $9,383,027 or the lowest responsive bidder and permission for Homer J. Olson to withdraw its bid — Resolution No. 94-28

   B. Contract No. 2592, "Drydock and Overhaul of the Fireboat Phoenix," award of contract to Bay Ship and Yacht including the base bid and Additive Alternatives at a total cost of $100,002 — Resolution No. 94-29

C. Professional Services Contract No. SA3992026, "Ferry Building Earthquake Damage, Seismic Analysis and Repair Design," H.J. Degenkolb, approval of Modification No. 12 for $55,100 Resolution No. 94-30

D. Professional Services Contract No. SA 3930040, "Tunnels No. 3 and No. 4, Track Modifications," Sverdrup Civil Inc., approval of Modification No. 1 to authorize Stage Two final design work at a cost of $140,000 Resolution No. 94-31

E. Contract No. 2597, "Fisherman's Wharf Sidewalk Improvements," authorization to advertise for bids at an estimated cost of $200,000 Resolution No. 94-32

7. **PLANNING DEVELOPMENT & COMMUNITY AFFAIRS**

A. Approval to award the Professional Services Contract for CH2MHill technical design of the Pier 98 Wetlands and Open Space project in the amount of $180,937. Resolution No. 94-33

8. **INTERNAL SERVICES**

9. **CONSENT CALENDAR**

A. Approval of Refunds and Allowances for the period ending January 31, 1994 Resolution No. 94-34

B. Approval of travel by two representatives of San Francisco Port Commission to Asia/Europe, in accordance with the Port's Fiscal Year 1993-1994 budget Resolution No. 94-27

10. **EXECUTIVE SESSION**

A. An executive session has been calendared for the February 22, 1994 meeting of the Port Commission to discuss real property negotiations with Southwest Marine, Inc., a California corporation at Pier 70. The City Attorney's Office is of the opinion that an executive session is specifically authorized under California Government Code Section 54956.8

B. An executive session has been calendared for the February 22, 1994 Port Commission meeting to discuss the potential litigation between the Port and Catellus Development Corporation arising out of the respective parties' rights and obligations pursuant to the Agreement to License and to Option and the Irrevocable License Agreement Mission Bay Wetlands Park. The City Attorney's Office is of the opinion that based on existing facts and circumstances discussion of this matter in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (b)(1) and (c).

11. **NEW BUSINESS**

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

SAN FRANCISCO PORT COMMISSION MEETING DATES
1994

(Please note that Port Commission Regular Meeting dates have changed from Wednesdays to Tuesdays at 4:00 p.m.)

February 22, 1994
March 8, 1994
March 22, 1994
April 12, 1994
April 26, 1994
May 10, 1994
May 24, 1994
June 7, 1994
June 28, 1994
July 12, 1994
July 26, 1994
August 9, 1994
August 23, 1994
September 13, 1994
September 27, 1994
October 11, 1994
October 25, 1994
November 15, 1994
December 13, 1994

All Port Commission meetings unless otherwise noticed are held in the Port Commission Room, Suite 3100, Ferry Building.

SAN FRANCISCO PORT COMMISSION
FERRY BUILDING, SUITE 3100
THE EMBARCADERO, SAN FRANCISCO

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CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Meeting Date: February 22, 1994

Agenda Item: 3-B
Resolution No. 94-26

SUBJECT: Request for Proposals for the Selection of Underwriters for a Negotiated Sale of Bonds to Refund Outstanding Revenue Bonds Series A, B and C

SUBMITTED BY: Benjamin A. Kutnick, Finance Manager

AGENDA CLASSIFICATION

_X_ Executive
___ Cargo Services
___ Tenant Services
___ Planning and Community Affairs
____ Internal Services
____ Legal

BACKGROUND:

Staff has been working on a refinancing of the Port's outstanding revenue bonds Series A, B and C. The financing team working on this transaction includes the Port's Financial Advisors, Bond Counsel, City Attorney and Port staff.

Staff had been assuming the sale of the refunding bonds would be competitively bid. A recent review of this issue has led staff to believe that the Port would be better served by hiring underwriters and doing a negotiated sale.

EXECUTIVE DIRECTOR'S RECOMMENDATION	COMMISSION ACTION REQUIRED	COMMISSION ACTION TAKEN
	____ Motion	Date:
	_X_ Resolution	Approved ____
	____ Ordinance	Disapproved ____
	____ Information Only	

_____
Secretary

The Port has not been in the financing market for ten years and there are many issues to be explained to potential investors. The Port refunding bonds have become what is referred to as a "story bond". The increased complexity of the credit and marketing issues make a negotiated transaction to the Port's benefit.

The advantages of a negotiated sale include:

* Allows the Port greater flexibility on the timing for entering the market (no two-week notice period as with a competitive sale)

* Provides a greater opportunity to market the bonds to a limited group of potential investors.

In general, a negotiated sale is most appropriate when the outcome of the bond sale is strongly influenced by timing, market strategy, when the tax exempt market is volatile, when the issuer is new to the market or has not been active in the market for a long time.

The last time the Port was in the debt market was for the sale of Port Commission Revenue Bonds, Series C in 1984, ten years ago. The current tax exempt market is volatile and the timing for entry to the market is critical to the interest rate. The Port also has several issues to describe and explain to potential investors. This can best be accomplished with the assistance of an underwriter.

SELECTION EVALUATION CRITERIA

The proposals will be evaluated using the following criteria to determine the proposals that best meet the needs of the Port:

A. Firm Experience (25 points)

* Revenue bond financing experience including, but not limited to, nationwide Port-type experience

* Marketing and placement experience and capabilities

* Experience with California issues

B. Assigned Project Staff (25 points)

* References for the Project Leader

* Availability to the Port

* Professional qualifications

C. Ability to Meet The Needs of The Port (35 points)

* Knowledge, experience and understanding of municipal capital markets and trends

* Responsiveness to Port needs and interests

* Analytical abilities

* Marketing and sales plan for the Port refunding bonds

D. Other (15 points)

* Completeness and clarity of the proposal

* Fees

* Compliance with City terms and conditions

COMPENSATION

The Underwriters will be compensated solely from bond proceeds, contingent upon a successful closing.

* Management Fee - for structuring the refunding issue

* Takedown - compensation for sales force for selling bonds
* Underwriting - compensation for market risk
* Expenses

The RFP will require that no less than 35% of the management fees go to Minority and Women Owned Businesses. In addition, the senior underwriter will be required to guarantee access to bonds of no less than 35% for Minority and Women Owned Businesses.

ADVERTISING AND OUTREACH

RFP's will be mailed to all Minority and Women Owned Business that provide underwriting services and are certified by the Human Rights Commission.

The RFP will be advertised in the Wall Street Journal, the Bond Buyer and the San Francisco Chronicle/Examiner, the Small Business Exchange and the Purchaser's Bid and Contract Opportunities Newsletter.

RECOMMENDATION:

Direct staff to issue a Request for Proposals for the selection of an Underwriter for a negotiated refunding of Port revenue bonds.

AGENDAUN

CITY & COUNTY OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-26

WHEREAS, the Port desires to refinance its outstanding revenue bonds Series A, Series B and Series C;

WHEREAS, staff has been working towards a refinancing with the City Attorney, Financial Advisors and Bond Counsel;

WHEREAS, hiring an underwriter for a negotiated sale of the refunding bonds will provide the Port greater flexibility on the timing for entering the market a greater opportunity to market the bonds to a limited group of potential investors;

WHEREAS, staff has recommended that the hiring of underwriters would be in the best financial interest of the Port;

THEREFORE BE IT RESOLVED, that staff is directed to develop a Request for Proposals to hire Underwriters for a negotiated sale of

bonds to refund the Port's outstanding Series A, Series B and Series C.

I HEREBY certify that the foregoing resolution was adopted by the San Francisco Port Commission at its regular meeting of February 22, 1994.

_____

Commission Secretary

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 2/22/94
Agenda Item: 3C
Resolution No. 94-18

SUBJECT: Recognition of Mike Janis, former Director of Tenant Services for outstanding service with the Port of San Francisco

Submitted By: Dennis Bouey, Executive Director

AGENDA CLASSIFICATION

XX	Executive	___	Planning and Community Affairs
___	Cargo Services	___	Internal Services
___	Tenant Services	___	Legal
___	Engineering	___	Other

BACKGROUND:
Michael Janis, Director of Tenant Services for the past four years, left Port employment last month to take a position in the private sector. During his tenure with the Port, Tenant Services increased commercial property revenues, streamlined procedures, and improved customer service. All of this was accomplished despite the disruptions of the Loma Prieta earthquake, construction of a major waterfront transportation project, and a general worldwide economic recession. His service to the Port in this highly-visible position is deserving of special recognition.

RECOMMENDATION:
Staff recommends that the Port Commission approve Resolution 94-18, commending Mike Janis.

Executive Director's Recommendation	**Commission Action Required**		**Commission Action Taken**
	___	Motion	Date: _____
	XX	Resolution	Approved: _____
	___	Ordinance	Disapproved: _____
	___	Info Only	Continued: _____

_____
Secretary

San Francisco Port Commission

Resolution No. 94-18

WHEREAS, Michael Janis joined the Port of San Francisco in 1989 and in 1991 was promoted to Director of Tenant Services where he supervised leasing, maintenance and engineering staff; and

WHEREAS, Michael Janis provided strong leadership to the Port's Tenant Services Division and emphasized responsiveness to the needs of the Port of San Francisco's tenants; and

WHEREAS, Michael Janis increased commercial leasing revenues at the Port by targeting new leasehold opportunities, streamlining leasing procedures, improving efficiency, and developing the expertise of the Port's commercial leasing staff; and

WHEREAS, Michael Janis worked tirelessly to revitalize the fishing industry and enhance the attractiveness of Fishermans' Wharf as a tourist destination by establishing the first special unit within Tenant Services to respond to the leasing, operational and promotional needs of the area; and

WHEREAS, Mr. Janis' enthusiasm and dedication for promoting San Francisco's waterfront among tenants, potential customers, and the public was exemplary; now

THEREFORE BE IT RESOLVED, that the San Francisco Port Commission recognizes the contribution of Michael Janis to the Port of San Francisco and awards him a certificate of recognition for his outstanding service.

I HEREBY CERTIFY that this resolution was adopted by the San Francisco Port Commission at its meeting of February 22, 1994.

_____

Secretary

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 2/22/94
Agenda Item: 3D
Resolution No. 94-22

SUBJECT: Recognition of Elizabeth Day, former Secretary to the San Francisco Port Commission, for outstanding service

Submitted By: Dennis Bouey, Executive Director

AGENDA CLASSIFICATION

XX	Executive	___	Planning and Community Affairs
___	Cargo Services	___	Internal Services
___	Tenant Services	___	Legal
___	Engineering	___	Other

BACKGROUND:
Elizabeth Day worked for the Port for 14 years, including serving for the last decade as the Secretary to the San Francisco Port Commission. She was responsible for all matters in direct support of the Commission, including creating and disseminating agendas and required documents and maintaining all official records. She also responded to public inquiries, serving as an effetive representative of the Port. Her responsive service and positive contribution in this highly-visible position is deserving of special recognition.

RECOMMENDATION:
Staff recommends that the Port Commission approve Resolution 94-22, commending Elizabeth Day.

Executive Director's Recommendation	**Commission Action Required**	**Commission Action Taken**
	___ Motion	Date: _____
	XX Resolution	Approved: _____
	___ Ordinance	Disapproved: _____
	___ Info Only	Continued: _____

_____
Secretary

San Francisco Port Commission

Resolution No. 94-22

WHEREAS, Elizabeth Day joined the Port of San Francisco in 1979 and served as Secretary to the San Francisco Port Commission for the last decade; and

WHEREAS, Elizabeth Day assisted the Commission in executing its responsibilities for managing and controlling the property within the Port of San Francisco's jurisdiction; and

Whereas, her duties included calendaring of agendas, dissemination of documents, and the important task of maintaining thorough records of Commission's actions; and

WHEREAS, Elizabeth Day responded to requests of tenants, prospective customers, other governmental agencies and members of the public regarding actions of the San Francisco Port Commission; and

WHEREAS, Elizabeth Day was raised in San Francisco and through her work showed commitment to promoting the historical, economic and recreational importance of San Francisco's waterfront; and

WHEREAS, Elizabeth Day earned the appreciation of her co-workers by providing guidance and support in times of special need; now

THEREFORE BE IT RESOLVED, that the San Francisco Port Commission recognizes Elizabeth Day for her outstanding service to the Port of San Francisco and awards her this certificate of recognition.

I HEREBY CERTIFY that this resolution was adopted by the San Francisco Port Commission at its meeting of February 22, 1994.

_____

Secretary

City and County of San Francisco

SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Subject: Approval of Delancey Street Lease for Pier 36

Meeting Date: February 22, 1994
Agenda Item No.: 5A
Res. No.: 94-19

Submitted By: Kirk Bennett
Acting Director, Tenant Services

AGENDA CLASSIFICATION

_____ Executive	_____ Internal Services
_____ Cargo Services	_____ Legal
__X__ Tenant Services	_____ Other
_____ Planning and Community Affairs	

BACKGROUND

The Delancey Street Foundation, Inc. proposes to lease 29,812 sq. ft. of warehouse space (22,950 sq. ft. in the pier shed and 6,862 sq. ft. in the bulkhead building), as well as 35,129 sq. ft. of open pier space at Pier 36. Delancey Street will continue to use these premises for the storage of materials and supplies to support their operations located directly across The Embarcadero. This lease will provide for a 5-year term and an initial monthly rental of $3,577.44, with annual cost of living increases. The combined net effective rent is $0.06 per square foot, which compares to the minimum net effective rates set by the Port Commission of $0.35 for shed space and $0.15 for open pier space. However, due to the current condition of Pier 36, its marketability is limited.

(Continued on Page 2.)

RECOMMENDATION:

Adopt the attached Resolution authorizing the Executive Director to execute a standard form lease between the Port and The Delancey Street Foundation, Inc. which includes the business terms indicated above.

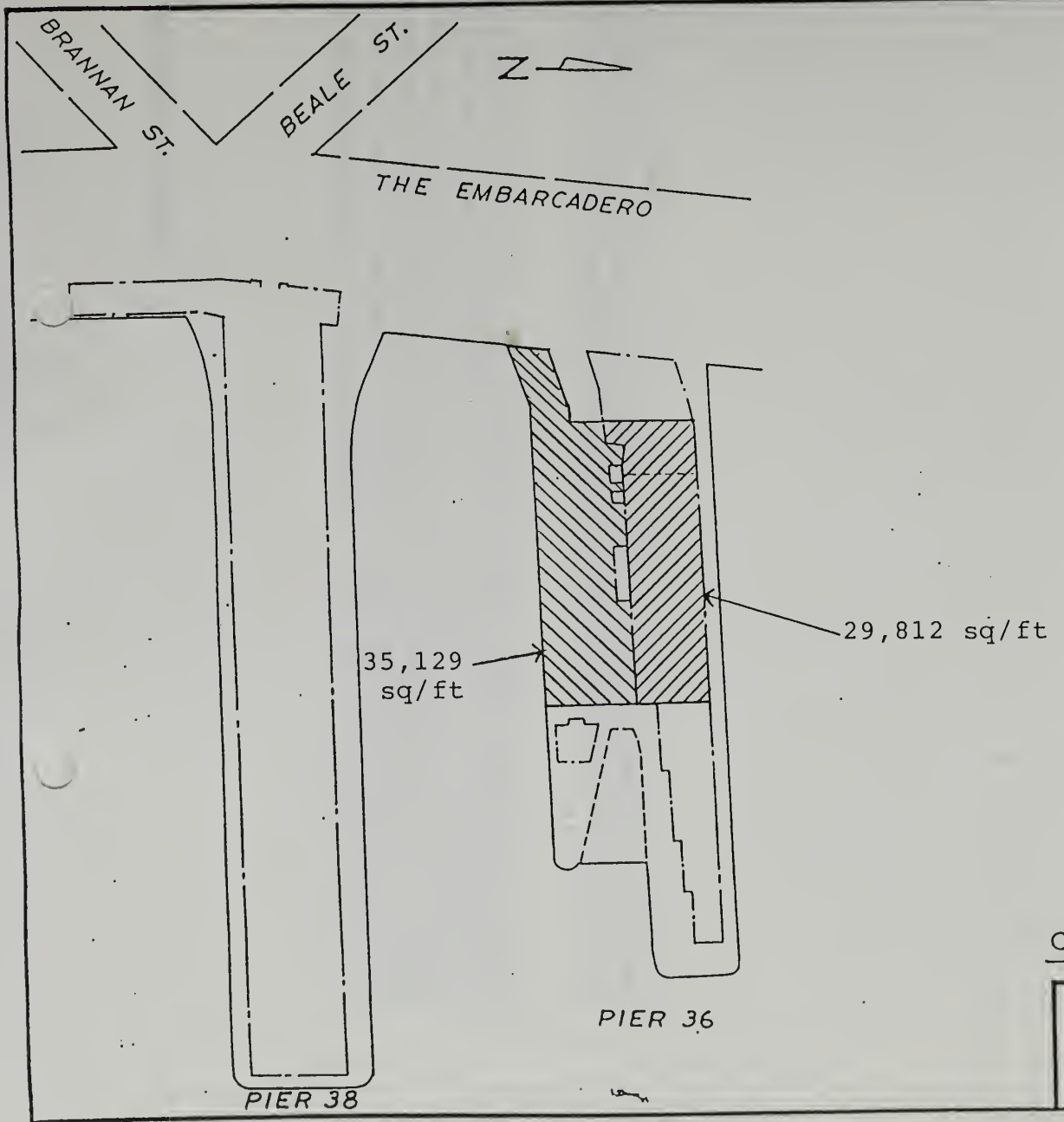
EXECUTIVE DIRECTOR'S RECOMMENDATION	COMMISSION ACTION REQUIRED	COMM. ACTION TAKEN
_____	_____ Motion	**Date.** . . . . .
	_____ Resolution	Approved _____
	_____ Ordinance	Disapproved _____
	_____ Information Only	Continued _____

_____

SECRETARY

During the first year of the lease, the Port will make minor repairs to the roof and rain gutters of the shed portion of the premises only, at an estimated cost of approximately $5,300.00. With the exception of this one time roof repair to the shed roof and gutter, Delancey Street will lease the premises "as is", with the Port having no further responsibility for repairs. Major repairs are required to the roof of the bulkhead building, at an estimated cost of approximately $27,600; however, the lease does not require the the Port to make these repairs to the bulkhead building roof.

Tenant will have the right to terminate this lease early with six months prior notice. As a standard lease provision, the Port will also have the right to terminate the lease for development purposes with six months prior notice.



Contract No.

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE

CHIEF ENGINEER

NO.	DATE	DESCRIPTION

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

IN CHARGE OF	CHECKED BY
MADE BY	DATE
TRACED BY	SCALE
DRAWING NO. 1360	SHEET NO. 1 OF SHE

CITY / 'D COUNTY OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-19

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for those leases which are set forth on the agenda summary sheet for agenda item: 5A.

RESOLVED, that the Port Commission hereby approves those lease set forth in the agenda summary sheet for agenda item 5A, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I HEREBY CERTIFY that the foregoing resolution was approved by the San Francisco Port Commission at its meeting of February 22, 1994.

_____

Secretary

I:\...\wp51\agendas\delancey.sum\DS\cp\February 15, 1994

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 2/22/94
Agenda Item: 6A
Resolution No. 94-28

SUBJECT: Authorization to Award Contract No. 2593, Pier 45, Earthquake Repair Project, Pier and Buildings Repair Phase III Project

Submitted By: Cliff Jarrard, Chief Harbor Engineer

AGENDA CLASSIFICATION

_____ Executive	_____ Planning and Community Affairs
_____ Cargo Services	_____ Internal Services
_____ Tenant Services	_____ Legal
XX Engineering	_____ Other

BACKGROUND

Resolution No. 93-141, approved by the Port Commission on October 27, 1993 authorized staff to advertise for bids for the third and final phase of earthquake repair work on Pier 45. On January 25, 1994, nine bids were received. The bids ranged from $8,579,420 to $10,956,998, as shown on the attached "Results of Bid Opening". All bids were less than the Engineer's estimate of $12,435,500.

(Continued on next page)

RECOMMENDATION:

Staff recommends that the Port Commission approve the withdrawal of the bid and bid bond of Homer J. Olsen, Inc., authorize the award of Contract No. 2593 to Arntz Construction at a cost of $9,383,027, or to the lowest responsible bidder after resolution of the various bid protests, and further authorize the availability of an amount equal to 10% of the contract award, to cover possible contract modifications.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	____ Motion	Date: _____
	XX Resolution	Approved: _____
	____ Ordinance	Disapproved: _____
	____ Information Only	Continued: _____

_____
SECRETARY

The order of bids by cost is as follows:

BIDDER	LOCATION	BID
Homer J. Olson	Union City	$8,579,420
Arntz Construction	Novato	$9,383,027
Dan Caputo	San Jose	$9,398,205
S. J. Amaroso	Foster City	$9,413,533
Barnes Construction	San Francisco	$9,778,440
Valentine Construction	San Rafael	$10,409,270
Roebblen	El Dorado Hills	$10,714,890
Nibbi Brothers	San Francisco	$10,933,715
Swinerton & Walberg	San Francisco	$10,956,998

The lowest bidder, Homer. J. Olsen, Inc. submitted a request to withdraw their bid and bid bond because of arithmetic errors. They presented documentation which substantiated their claim that errors were made.

In addition, several bid protests were filed claiming that the certain contractors had not met MBE/WBE goals and had not satisfied the good faith effort requirements.

Pending review of the bid protests by the City Attorney's office and HRC, staff seeks the Commission's authorization to award the contract to Arntz Construction, the second apparent low bidder. In the event Arntz Construction is determined to be ineligible for award, a substitute resolution will be introduced at the meeting recommending award to the appropriate responsive low bidder.

Arntz Construction has notified the Port that they made a clerical error in which they failed to list Rosas Construction as the subcontractor who will perform the storm drain portion of the work. F.W. Spencer & Son, Inc. was listed in the bid documents to perform this work but does not object to the substitution.

Available funding for this contract is as follows:

FEMA approved DSR's	$4,470,805
U.S. Department of Commerce (EDA)	$1,953,875
California Trade and Commerce Agency	$1,958,875
Port of San Francisco	$4,433,563
TOTAL:	$12,817,118

Staff is preparing and will submit to FEMA/OES a request for supplemental DSR's to cover the difference between the actual bid prices and approved DSR's for FEMA eligible items. This will result in an increase in FEMA funding and a corresponding decrease in Port funding for this phase of the project. Should there be change orders during the performance of this contract which result in an increase in cost for FEMA eligible items, staff will also request supplemental DSR's to cover such increases.

Staff further requests that an allowance of 10% of the bid amount be approved to fund change orders which may occur during the performance of this contract. Supplemental requests will be made to FEMA for any such change orders which are part of FEMA eligible work or which involve the repair of earthquake damage discovered during construction.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-28

WHEREAS, the Port Commission directed staff to solicit bids on Contract No. 2593, Pier and Buildings Repair which is Phase III of the Pier 45 earthquake repair project; and

WHEREAS, bids were received and opened on January 25, 1994; and

WHEREAS, the lowest bidder, Homer J. Olsen Inc, requested their bid and bid bond be withdrawn due to arithmetical errors, and staff substantiated this contractor's claim that errors were made; and

WHEREAS, the San Francisco Human Rights Commission and the office of City Attorney have reviewed the next lower bids and determined the next lowest responsive bid; and

WHEREAS, Arntz Construction made a clerical error and requests substitution of Rosas Construction for F.W. Spencer & Son, Inc. for the storm drain portion of the work; and

WHEREAS, F.W. Spencer & Son, Inc does not object to this substitution; and

WHEREAS, sufficient funding for this contract will be provided by FEMA, the State of California Office of Emergency Services, the U.S. Department of Commerce (EDA), the State of California Trade and Commerce Agency, and the Port's earthquake Supplemental Appropriation; therefore

BE IT RESOLVED, that the San Francisco Port Commission hereby approves the withdrawal of bid and bid bond of Homer J. Olsen, Inc, award of Contract No. 2593, "Pier and Building Repair (Phase III of the Pier 45 Earthquake repair Project)", to Arntz Construction for $9,383,027, and a contingency amount equal to 10% of this bid to fund possible changes during the contract.

I HEREBY CERTIFY that the following resolution was adopted by the Port Commission at it's meeting of February 22, 1994.

_____
SECRETARY

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 2/22/94
Agenda Item: 6B
Resolution. No. 94-29

SUBJECT: Contract 2592, Rebid
Drydock & Overhaul the Fireboat "PHOENIX"

SUBMITTED BY: Cliff Jarrard, Chief Harbor Engineer

AGENDA CLASSIFICATION

___	Executive	___	Planning and Community Affairs
___	Cargo Services	___	Internal
___	Tenant Services	___	Legal
_XX	Engineering	___	Other

BACKGROUND

At the regular Commission meeting of September 8, 1993, approval was given to advertise Contract 2592, Drydock and Overhaul of the Fireboat "Phoenix". Bids were received on November 23, 1993 and for several reasons were rejected by the Commission on December 15, 1993. The rebid was also authorized at that time and new bids were received on January 25, 1994.

The January 25, 1994 bid results are attached herewith and staff recommends that the Commission authorize the award of this contract to the lowest responsive bidder, Bay Ship & Yacht Co. of Richmond, California, with the lowest base bid of $64,740. This base bid included Bid Items 1 through 11. Staff further recommends that Additive Alternate Bid Items 12 through 16 and 20 through 24 also be awarded for a total contract award amount of $100,002.

(Continued on next page)

RECOMMENDATION

Staff recommends that the Commission authorizes Port staff to award this contract to the lowest responsive bidder Bay Ship and Yacht, for a total contract amount of $100,002.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	____ Motion	Date: _____
	_xx_ Resolution	Approved: _____
	____ Ordinance	Disapproved: _____
_____	____ Information Only	Continued: _____

_____
SECRETARY

The contract will be financed by $80,000 provided by the San Francisco Fire Department through annual funds provided to that department from the Port. The remaining $20,002 will come from the San Francisco Fire Department's Operating Budget.

Bay Ship and Yacht has exceeded the MBE/WBE goals set for this contract and HRC has determined that they are eligible for award.

Notice to Proceed will be approximately March 14, 1994 and the work is to be completed within 30 consecutive calendar days during the two months following the Notice to Proceed.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-29

WHEREAS, the Fireboat "PHOENIX" requires periodic maintenance to safely carry out its missions; and

WHEREAS, the Port's financial budget for this year includes $80,000 for the purpose of maintenance of drydocking and overhaul of one fireboat and the Fire Department is providing an additional $20,002 to be transferred to the Port for this purpose; and

WHEREAS, the lowest acceptable bid received on January 25, 1994 was from Bay Ship & Yacht Company of Richmond, Ca; therefore

BE IT RESOLVED, that the Port Commission authorized the award of Contract 2592 REBID, the 1994 Drydocking and Overhaul of the Fireboat "PHOENIX" to Bay Ship and Yacht Company of Richmond, CA., for an amount not to exceed $100,002.

I HEREBY CERTIFY that the following resolution was adopted by the Port Commission at it's meeting of February 22, 1994.

_____
SECRETARY

CONTRACT 2592 - DRYDOCK & OVERHAUL THE FIREBOAT "PHOENIX"

BID RESULTS. JANUARY 25. 1994:

BIDDER		BAY SHIP & YACHT RICHMOND, CA	FULTON ANTIOCH	S.F.DRYDOCK SAN FRANCISCO
BID ITEM 1	HULL	$ 41,798	$ 52,450	$ 49,536
BID ITEM 2	SERVICES	1,729	1,600	7,317
BID ITEM 3	PROPS & RDRS	579	1,335	1,566
BID ITEM 4	ZINCS	2,136	2,900	3,102
BID ITEM 5	CLAD WELDS	180	230	195
BID ITEM 6	BILGE HULL	4,401	6,320	15,024
BID ITEM 7	SEA VALVES	1,419	2,030	3,619
BID ITEM 8	FWD TANKS	5,634	8,240	6,720
BID ITEM 9	6' FENDER	785	820	916
BID ITEM 10	AFT OIL TNK	2,064	1,970	3,360
BID ITEM 11	MUFFLERS	4,015	3,960	2,262
SUBTOTAL 1-11	BASE BID 64,740		$81,855	$93,617
ADDITIVE ALTERNATE BID ITEMS				
BID ITEM 12	PENCIL ZINCS	1,212	1,560	1,382
BID ITEM 13	INLETS	1,210	1,190	1,109
BID ITEM 14	LIST	720	1,020	994
BID ITEM 15	5x8 SPACE	3,007	2,825	2,215
BID ITEM 16	VINYL FLOOR	1,944	1,320	2,410
BID ITEM 17	TOWER MONIT.	79,847	58,085	86,566
BID ITEM 18	WHF. MONIT.	20,013	15,040	9,646
BID ITEM 19	CATHODIC SYS.	18,798	15,140	18,944
BID ITEM 20	EXHAUST PIPE	670	685	398
BID ITEM 21	TWO DOORS	3,173	2,950	2,453
BID ITEM 22	LADDER RAILS	657	820	540
BID ITEM 23	LOCKER COVERS	1,050	1,120	331
BID ITEM 24	NEW PIPE LOOP	2,821	5,240	3,784
TOTAL 1 - 24		$199,862	$188,850	$224,389

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 2/22/94
Agenda Item: 6C
Resolution No. 94-30

SUBJECT: Professional Services Contract No. SA3992026, "Ferry Building Earthquake Damage, Seismic Analysis and Repair Design", Approval of Modification No. 12

SUBMITTED BY: Cliff Jarrard, Chief Harbor Engineer

AGENDA CLASSIFICATION

_____	Executive	_____	Planning and Community Affairs
_____	Cargo Services	_____	Internal Services
_____	Tenant Services	_____	Legal
_XX_	Engineering	_____	Other

BACKGROUND

The Port has requested its structural consultant, H.J. Degenkolb, to provide additional design and construction review services for both Stage I and Stage II of the Ferry Building Seismic Repair. The cost for these design services is $55,100 and are itemized as follows:

* Tenant relocation and temporary partition plans and specifications for the Stage II project. $13,500
* Stage II disability access design plans for specific first floor, north wing bathrooms. $7,500

(Continued on next page)

RECOMMENDATION:

Staff recommends that the Commission approves Contract Modification No. 12 to Professional Services Contract No. SA3992026 with H. J. Degenkolb & Associates for $55,100.

Executive Director's Recommendation	Commission Action Required		Commission Action Taken	
	_____	Motion	Date:	_____
_____	_XX_	Resolution	Approved:	_____
	_____	Ordinance	Disapproved:	_____
	_____	Information Only	Continued:	_____

_____
SECRETARY

* Additional Stage I construction review of the masonry repairs to additional damage discovered on the exterior west wall sandstone veneer.

$4,100

* Stage II construction review services.

$30,000

The tenant relocation and temporary partition drawings and specifications are required to mitigate the impact of the Stage II construction on the Port's tenants. The disability access design drawings are required by the San Francisco Building Code. The additional Stage I construction review is required to ensure that the added masonry repair work is in compliance with the contract documents.

The following is a summary of the original contract and the previous modifications to this contract:

ORIGINAL CONTRACT	COST	DESCRIPTION OF WORK
	$65,000	Emergency evaluation of earthquake damage to Ferry Building with recommendations for repairs and mitigation work.

Authorization for this emergency contract was provided by the Port Commission on December 13, 1989, after FEMA authorized funds for the evaluation. Even though this was an emergency contract, the consultant was selected through a RFP process. The RFP requested proposals for the emergency and for what is now known as Stage I and Stage II repair and strengthening analysis. In the beginning, only the initial phase was funded pending completion of the required analysis.

Modifications No. 1 through No. 7 were previously approved by the Commission.

MODIFICATION NO.		
8.	$0	Administrative correction.
9.	$675	At the request of Port Tenant Services Division to provide an analysis of the World Trade Center to confirm in writing that this portion of the existing building meets the minimal structural safety standards required by state law for a new tenant to occupy the building.

10.	$ 16,495	Construction review services during Stage I construction (With FEMA/OES funds authorized at that time)
11.	$30,155	Remaining construction review services during Stage I construction (After FEMA/OES authorized the remaining funds for this task)
TOTAL	$396,817	

The total amount of this contract including Modification No. 12 is $451,917.

Additionally, the Port has asked the consultant to submit a proposal for construction review services for the imminent Stage II construction work. At this time, staff is requesting that the Commission approve Contract Modification No. 12 for $55,100.

All work outlined in Contract Modification No. 12 will be funded entirely by FEMA and OES.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-30

WHEREAS, the Port Commission previously approved the award of the emergency professional services contract No. SA3992026, "Ferry Building Earthquake Damage, Seismic Analysis and Repair Design" to H.J. Degenkolb & Associates; and

WHEREAS, the Port Commission subsequently approved Contract Modification Numbers 1 through 7, to that firm; and

WHEREAS, the cost of Contract Modification No. 12 is $55,100; and

WHEREAS, the total cost of Contract Modification No. 12 and the Stage II construction review services are funded entirely by FEMA and OES; therefore

BE IT RESOLVED, that the San Francisco Port Commission hereby authorizes the issuance of Contract Modification No. 12 to Professional Services Contract SA3992026 with H. J. Degenkolb & Associates for $55,100.

I HEREBY CERTIFY that the following resolution was adopted by the Port Commission at it's meeting of February 22, 1994.

_____
SECRETARY

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 2/22/94
Agenda Item: 6D
Resolution No. 94-31

SUBJECT: Professional Services Contract No. SA3930040, "Tunnels No. 3 and No. 4, Track Modifications", Approval of Modification No. 1 for Phase II Work

Submitted By: Cliff Jarrard, Chief Harbor Engineer

AGENDA CLASSIFICATION

_____ Executive	_____ Planning and Community Affairs
_____ Cargo Services	_____ Internal Services
_____ Tenant Services	_____ Legal
xx Engineering	_____ Other

BACKGROUND

The Port is proceeding with modifying the existing railroad tracks in Tunnels No. 3 and No. 4 to allow the movement of double-stack rail cars through the tunnels. The tracks are currently owned by the Peninsula Corridor Joint Powers Board (JPB) and were previously owned by the Southern Pacific Transportation Company. It has been concluded that the most cost effective way to accomplish the track modifications is by the construction of a gauntlet track within the tunnels.

(Continued on next page)

RECOMMENDATION:

Staff recommends that the Port Commission approve Contract Modification No. 1 to Professional Services Contract SA 3930040, "Tunnels No. 3 and No. 4, Track Modifications", with Sverdrup Civil, Inc. of $140,000 for Phase II work, to provide final engineering design, preparation of construction contract documents and related services.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	_____Motion	Date:_____
	XX Resolution	Approved:_____
_____	_____Ordinance	Disapproved:_____
	_____Information Only	Continued:_____

_____
SECRETARY

At the September 22, 1993 Commission meeting, staff was authorized to award a professional services contract to Sverdrup Civil, Inc. (Sverdrup) for the conceptual engineering for the modification of Tunnels No. 3 and No. 4. Staff was further authorized to negotiate a subsequent contract modification for the final design and preparation of contract documents for the gauntlet track and related work.

The conceptual engineering is almost complete as a construction cost estimate has been prepared and the draft Conceptual Report has been circulated. Staff recommends authorization to issue Contract Modification No. 1 to Sverdrup for final engineering design and contract documents. The consultant will utilize to the fullest extent possible, plans previously prepared by the Southern Pacific Transportation Company in 1991.

Sverdrup's work scope includes but is not limited to surveying the Bayshore Yard to develop proposed yard track profiles, modifying the previously developed Southern Pacific drawings for the gauntlet track, adding right-of-way lines, designing the Centralized Traffic Control system from Potrero to Brisbane and developing contract specifications for all of the construction work.

This professional services consultant contract will include a minimum of 10% MBE subconsulting participation.

The preliminary project costs are estimated as follows:

Total Track and site Work:	$5,157,040
Signalization cost:	1,901,500
PCJPB Inspection, Engineering Review & Flagging:	400,000
Construction Management:	350,000
Total Construction Cost	$7,808,540
Final Design Cost:	140,000
Project Management & Technical Oversight (Conceptual, Detailed Design & Construction)	128,000
Contingencies (20%):	1,615,300
Total Estimated Work Cost	9,691,840
Previous Southern Pacific Consultant Engineering Cost:	320,000
Conceptual Engineering	66,000
Total Estimated Project Cost	$10,077,840

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-31

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-31

WHEREAS, on September 22, 1993, the Port Commission authorized the award of a professional services contract to Sverdrup Civil, Inc. (Sverdrup) for conceptual engineering, Phase I of the Tunnels No. 3 and No. 4 gauntlet track design; and

WHEREAS, staff was further authorized to subsequently negotiate Phase II of the project which includes final engineering design and preparation of contract documents for the gauntlet track and related work; and

WHEREAS, Sverdrup has almost completed Phase I as it has developed a construction cost estimate, is circulating a Draft Conceptual Report and will soon be ready to begin Phase II work; and

WHEREAS, Sverdrup has submitted a proposal for Phase II work which staff has reviewed to conclude that the proposal includes the approriate work scope; and

WHEREAS, staff has negotiated the cost of Phase II work to a reasonable sum; therefore

BE IT RESOLVED, that the San Francisco Port Commission hereby authorizes staff to issue Contract Modification No. 1 to Professional Services Contract SA 390040, "Tunnels No. 3 and No. 4, Track Modifications", with Sverdrup Civil, Inc. of $140,000 for Phase II work, to provide final engineering design, preparation of contract documents and related services; and to extend the contract to September 1st 1994.

I HEREBY CERTIFY that the following resolution was adopted by the Port Commission at it's meeting of February 22, 1994.

_____
SECRETARY

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 2/22/94
Agenda Item: 6E
Resolution No. 94-32

SUBJECT: Contract No. 2597,
Fisherman's Wharf Sidewalk Improvements, Authorization to Advertise for Bids

Submitted By: Cliff Jarrard, Chief Harbor Engineer

AGENDA CLASSIFICATION

_____	Executive	_____	Planning and Community Affairs
_____	Cargo Services	_____	Internal Services
_____	Tenant Services	_____	Legal
XX	Engineering	_____	Other

BACKGROUND

Staff recommends widening and improving the existing sidewalks of Taylor and Jefferson Streets adjacent to the Fisherman's Wharf Triangle Area. The design of these improvements is based on the 1992 complimentary Pedestrian Study for the entirety of Fisherman's Wharf, by John Kriken of the architectural firm of Skidmore, Owings and Merrill.

This sidewalk improvement project will begin the implementation of a portion of that study. In addition to widening the sidewalk from seven feet to 15 feet, this project will use the original Embarcadero "acorn" styled lights on Taylor Street and will improve disability access in the area by constructing curb ramps in the new sidewalk.

Port staff has prepared the construction bid documents.

(Continued on next page)

RECOMMENDATION

Staff recommends that the Commission authorize staff to advertise for bids on the project as described herein.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	_____Motion	Date:_____
	XX Resolution	Approved:_____
	_____Ordinance	Disapproved:_____
_____	_____Information Only	Continued:_____

_____
SECRETARY

The engineer's estimate for this work is $200,000.

Construction work to be finished by May 1, 1994.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-32

WHEREAS, a complimentary Pedestrian Study by John Kriken of the architectural firm of Skidmore, Ownings and Merrill recommends sidewalk improvements in the Fisherman's Wharf area; and

WHEREAS, staff recommends that this plan be implemented; and

WHEREAS, the Port Commission staff has prepared construction documents for the implementation of a portion of the study; and

WHEREAS, the Port Commission authorizes the availability of $200,000 from the Triangle Parking fund for construction of the sidewalk improvements; therefore

BE IT RESOLVED, that the San Francisco Port Commission hereby authorizes staff to advertise for bids on Contract Number 2597, "Fisherman's Wharf Sidewalk Improvements."

I HEREBY CERTIFY that the following resolution was adopted by the Port Commission at it's meeting of February 22, 1994.

_____
SECRETARY

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 2-22-94
Agenda Item: 7A
Resolution No: 94-33

SUBJECT: Approval to award the Professional Services Contract for technical design of the Pier 98 Wetlands and Open Space project.

Submitted by: Sharon Lee-Polledri, Director, Planning and Community Affairs

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AGENDA CLASSIFICATION

_____ Executive	_xx_ Planning and Community Affairs
_____ Cargo Services	_____ Internal Affairs
_____ Tenant Services	_____ Legal
_____ Engineering	_____ Other

BACKGROUND

On October 27, 1993, in Resolution No. 93-143, the Port Commission authorized Port staff to issue a Request for Proposals (RFP) for technical design services in the Pier 98 Wetlands and Open Space project and enter into negotiations with the highest ranked consultant identified through the RFP process. The Pier 98 Wetlands and Open Space project is the result of a negotiated agreement between the Port Commission and the San Francisco Bay Conservation and Development Commission. The project requires technical design services for landfill closure, wetlands enhancement, shoreline erosion control and landscape architecture.

(cont'd on next page)

RECOMMENDATION

Port staff recommends approval of the attached resolution.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	_____ Motion	Date: _____
	_xx_ Resolution	Approved: _____
	_____ Ordinance	Disapproved: _____
_____	_____ Information Only	Continued: _____

The Port staff issued the RFP for these services on November 8, 1993. The RFP established Minority Business Enterprise (MBE) and and Women Business Enterprise (WBE) subconsulting goals for this contract of 16 percent and 7 percent, respectively.

The Port staff conducted the following outreach efforts to make MBEs and WBEs aware of this business opportunity: (1) Presented the Pier 98 Technical Design project at the Port's September 28, 1993 Professional Services Contracting Opportunities Workshop; (2) Contacted 39 MBE and WBE firms by telephone prior to the issuance of the RFP to discuss the opportunity; (3) Held a pre-proposal conference on the project, and; (4) Provided a copy of the RFP to all San Francisco registered MBE and WBE firms in the fields of civil engineering, geotechnical engineering, environmental consulting and landscape architecture.

The Port staff received 7 proposals on or before the deadline for the submission of proposals, December 10, 1993. The consulting teams that submitted proposals are shown in Attachment A.

A five member selection panel evaluated the 7 written proposals submitted and selected the following firms to participate in oral interviews:

MOFFATT AND NICHOL/STEVENS ASSOCIATES (MBE JOINT VENTURE)
CH2M HILL
ROGER FOOTT AND ASSOCIATES

On January 4, 1994, the selection panel interviewed the three finalists and selected CH2M HILL. The CH2M HILL team includes a number of subconsultants; Attachment B presents a summary of the entire CH2M HILL consulting team. The Human Rights Commission (HRC) has determined that CH2M HILL meets the MBE and WBE subconsulting goals established for this project. CH2M HILL will also meet HRC's on-the-job training goal by hiring a disadvantaged minority, women or disabled person as a trainee for at least one year.

Under the proposed contract, CH2M HILL will provide technical design services for landfill closure, wetlands creation and enhancement, shoreline erosion control, and landscape architecture. The contract divides the project into three phases, and establishes the following not-to-exceed costs for each phase:

Pre-Design:	$58,168
Preliminary Design:	$69,513
Final Design:	$53,255

The overall not-to-exceed limit for this contract is $180,937.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-33

WHEREAS, The Pier 98 Wetlands and Open Space project is the result of a negotiated agreement between the Port Commission and the San Francisco Bay Conservation and Development Commission; and

WHEREAS, the Pier 98 Wetlands and Open Space project requires technical design services for landfill closure, wetlands enhancement, shoreline erosion control and landscape architecture; and

WHEREAS, the Port Commission approved Resolution No. 93-143 on October 27, 1993, which authorized Port staff to issue a Request for Proposals (RFP) for technical design services in the Pier 98 Wetlands and Open Space project and also authorized the staff to enter into negotiations with the highest ranked consultant identified through the RFP process; and

WHEREAS, the Port staff issued the RFP for technical design services on the Pier 98 Wetlands and Open Space project on November 8, 1993; and

WHEREAS the RFP established disadvantaged minority (MBE) and women business enterprise (WBE) subconsulting goals of 16 percent and 7 percent, respectively; and

WHEREAS, the Port undertook all good faith efforts to provide MBEs and WBEs with an opportunity to submit a proposal or participate on a team as subconsultants; and

WHEREAS, the Port received 7 proposals by the due date of December 10, 1993, 2 of which were submitted by MBE joint ventures and 6 of which met or exceeded the MBE/WBE subconsulting goals established in the RFP; and

WHEREAS, a selection panel comprised of Port staff, City staff and private individuals evaluated the written proposals according to the criteria that were outlined in the RFP, and conducted an oral interview with the 3 highest ranking consultant teams; and

WHEREAS, the team led by CH2M HILL received the highest score following the oral interview by the selection panel; and

WHEREAS, the Port staff entered into negotiations with CH2M HILL, and negotiated the attached professional services agreement;

NOW, THEREFORE BE IT RESOLVED, that the Port Commission approves the attached professional services agreement with CH2M HILL to provide technical design services for the Pier 98 Wetlands and Open Space project, for an amount not to exceed $180,937.

I HEREBY certify the foregoing resolution was adopted by the San Francisco Port Commission at its regular meeting of January 12, 1994.

_____
Secretary

ATTACHMENT A

Consultant Teams That Submitted Proposals for the
Pier 98 Technical Design Project

(in alphabetical order by prime)

Prime:	**CH2M HILL**
Subconsultants:	Merrill and Associates, AGS, Manna Consultants
Prime:	**Levine-Fricke/AGS, (MBE Joint Venture)**
Subconsultants:	Keller Mitchell Caronna, Joshua Collins, Ph.D., Noble Consultants, E.M. Rose & Associates, Arcost/CPM Group, Tycadd Corporation, Print and Copy Factory
Prime:	**Moffatt & Nichol/Stevens & Associates (MBE Joint Venture)**
Subconsultants:	Harding Lawson, Wetlands Research Associates, Trans Pacific, Nishita & Carter, Draftix
Prime:	**Roger Foott Associates**
Subconsultants:	Charles I. Rauw Consulting Engineers, Biosystems Analysis, Patricia O'Brien Landscape Architecture, ACRES Consulting Engineers, SCA Environmental, HEW Drilling Company
Prime:	**Royston Hanamoto Alley & Abbey**
Subconsultants:	Noble Consultants, Environmental Science Associates, Geo Resources, The Mark Group, SBB Communications, TransAmerican Engineers, Kathleen Seyfarth
Prime:	**Sea Engineering**
Subconsultants:	Wetlands Research Associates, Philip Williams & Associates, GeoTechnical Consultants, International Technology Corporation, Keller Mitchell Caronna, Tycadd Corporation
Prime:	**Questa Engineering Corporation**
Subconsultants:	Charles I. Rauw Consulting Engineer, Marta Fry Landscape Architect, Geotechnical Consultants, Kent Watson and Associates, Biological Consulting Services

ATTACHMENT B

Pier 98 Technical Design Project

Contract Cost Breakdown by Team Member

Team Member	Role in Project	MBE/WBE	Dollar Amount	% of Contract
CH2M Hill	(Prime) Coastal Engineering, Landfill Closure, Wetlands Creation, Biological Consulting	No	$137,757	76%
Merrill & Assoc.	Public Access, Recreation	WBE	$ 14,540	8%
AGS	Geotechnical Support	MBE	$ 9,300	5%
Manna Consultants	Design Production	MBE	$ 19,340	11%
TOTAL CONTRACT AMOUNT			$180,937	100%

TOTAL MBE PARTICIPATION = 16%

TOTAL WBE PARTICIPATION = 8%

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
January 31, 1994

	REVENUE TYPE	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS	TOTAL
	Cargo Service Division				
1.	Cargo Facility Rent				0
2.	Container Crane Rental				0
3.	Demurrage		$ 306		$ 306
4.	Dockage		2,327		2,327
5.	Facility Damage				0
6.	Miscellaneous Revenue				0
7.	Misc. Services to Tenants				0
8.	Security Deposits				0
9.	Service Charges				0
10.	Wharfage - Cargo				0
11.	Wharfage - Non-Cargo				0
	Subtotal	$ 0	$ 2,633	$ 0	$ 2,633
	Tenant Service Division				
1.	Commercial Rent	$ 816	8,969	$ 70,489	80,274
2.	Dockage		2,410		2,410
3.	Electrical Power Service	5	188	906	1,099
4.	Facility Damage				0
5.	Fishing Boats		15		15
6.	Fish Facility Rent				0
7.	Maritime Related Rent				0
8.	Misc. Services to Tenants				0
9.	Miscellaneous Revenue				0
10.	Parking Stalls		4,243	6,666	10,909
11.	Penalty Charges		477	410	887
12.	Percentage Rentals		4,617		4,617
13.	Permits				0
14.	Service Charges		10,390	27,718	38,108
15.	Security Deposits				0
16.	Ship Repair				0
17.	Wharfage - Non-Cargo		349		349
	Subtotal	$ 821	$ 31,658	$ 106,189	$ 138,668
	Total	$ 821	$ 34,291	$ 106,189	$ 141,301

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JANUARY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
CARGO SERVICE DIVISION						
DEMURRAGE						
1. One (1) invoice under $500	470800			$ 306		$ 306
Subtotal DEMR			0	306	0	306
DOCKAGE						
1. Harbor Bay Express	469404	To credit invoice #461670 per lease agreement with Port effective 8/1/93. Tenant is supposed to pay a fixed amount of $2,450/mo. instead of being billed for dockage fee.		598		598
2. Marine Terminals Company	470560	To credit invoice #469093 as tenant should have been billed for 2 days instead of one. (Re-billed by invoice #469444 for $1,678).		839		839
3. Four (4) invoices under $500	Various			890		890
Subtotal DOCC			0	2,327	0	2,327
Total for Cargo Service Division			$ 0	$ 2,633	$ 0	$ 2,633

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JANUARY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
TENANT SERVICE DIVISION						
COMMERCIAL RENT						
1. Star Systems, Inc.	469386	To write-off various invoices per Collection Dept. & Legal Dept.'s recommendation. Tenant had filed a Chaper 11 bankruptcy petition.			$ 1,711	1,711
2. Star Systems, Inc.	469387	To write-off various invoices per Collection Dept. & Legal Dept.'s recommendation. Tenant had filed a Chaper 11 bankruptcy petition.			68,778	68,778
3. McHugh Properties, Inc.	469378	To credit invoice #467040 because of duplicated billing.		3,150		3,150
4. Jack Woods & Associates	470801	To issue credit for various invoices as tenant had moved out of that facility since 11/30/93.		1,710		1,710
5. Simon & Unger	470810	To issue partial credit for invoice #469016 for $105 for the period 1/1/94-1/3/94 due to Port electrician working at the space. Tenant was unable to occupy. Rent credit of $578 is for improvement allowance.	$ 578	105		683
6. O. C. Transport	470822	To issue partial credit for invoice #464455 for half of November rent under the old lease. New lease commenced on 11/16/93.		777		777
7. O. C. Transport	470834	To credit invoices #462297 & #464455 because of erroneous billing.		2,315		2,315
8. Six (6) invoices under $500	Various		238	912		1,150
Subtotal CRNT			816	8,969	70,489	80,274
DOCKAGE						
1. Royal Viking Lines, Inc.	470816	To credit invoice #467595 due to duplicate billing.		2,410		2,410
Subtotal DOCT			0	2,410	0	2,410
ELECTRICAL POWER						
1. Star Systems, Inc.	469387	To write-off various invoices per Collection Dept. & Legal Dept.'s recommendation. Tenant had filed a Chaper 11 bankruptcy petition.			906	906
2. Six (6) invoices under $500	Various		5	188		193
Subtotal ELEC			5	188	906	1,099
FISHING BOATS						
1. One (1) invoice under $500	469370			15		15
Subtotal FISH			0	15	0	15

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JANUARY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
PARKING						
1. Star Systems, Inc.	469386	To write-off various invoices per Collection Dept. & Legal Dept.'s recommendation. Tenant had filed a Chaper 11 bankruptcy petition.			6,666	6,666
2. Forty five (45) invoices under $500	Various			4,243		4,243
Subtotal PSTL			0	4,243	6,666	10,909
PENALTY CHARGE						
1. Fifty (50) invoices under $500	Various			477	410	887
Subtotal PCHG			0	477	410	887
PERCENTAGE RENTALS						
1. Carriage Charter	470818	To issue credit for rent effective 8/1/93 per Commission Agreement dated July 14, 1993. (Rent credit for Aug. '93 thru Jan. '94)		4,500		4,500
2. One (1) invoice under $500	469374			117		117
Subtotal PERC			0	4,617	0	4,617
SERVICE CHARGE						
1. Star Systems, Inc.	469386	To write-off various invoices per Collection Dept. & Legal Dept.'s recommendation. Tenant had filed a Chaper 11 bankruptcy petition.			2,582	2,582
2. Star Systems, Inc.	469387	To write-off various invoices per Collection Dept. & Legal Dept.'s recommendation. Tenant had filed a Chaper 11 bankruptcy petition.			25,136	25,136
3. Flying Dutchman Park, Inc	470478	To credit service charges per stipulated agreement with Port. Tenant pays only 1% service charge on outstanding balance. Tenant will be billed later.		10,357		10,357
4. Seven (7) invoices under $500	Various			33		33
Subtotal SERV			0	10,390	27,718	38,108

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JANUARY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
WHARFAGE-NON CARGO						
1. One (1) invoice under $500	470817			349		349
Subtotal NCWT			0	349	0	349
Total for Tenant Service Division			$ 821	$ 31,658	$ 106,189	$ 138,668
TOTAL CREDIT MEMOS - JANUARY 1994			$ 821	$ 34,291	$ 106,189	$ 141,301

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 2/22/94
Agenda Item: 9B
Resolution No. 94-27

SUBJECT: Approval of travel for two representatives of the San Francisco Port Commission to Asia/Europe, in accordance with the Port's Fiscal Year 1993-1994 budget.

Submitted By: Dennis Bouey, Executive Director

AGENDA CLASSIFICATION

____ Executive	_____	Planning and Community Affairs
____ Cargo Services	_____	Internal Services
____ Tenant Services	_____	Legal
____ Engineering	__XX__	Consent Calendar

BACKGROUND:

The attached resolution authorizes Port Commission representatives to travel to Asia and Europe during Winter and Spring 1994 to develop business opportunities. This request is in accordance with the Port Commission's Fiscal Year 1993/94 budget.

RECOMMENDATION:

Approve the resolution.

Executive Director's Recommendation	**Commission Action Required**	**Commission Action**
_____	____ Motion	Date: _____
	____ Resolution	Approved: _____
	____ Ordinance	Disapproved: ___
	____ Information Only	Continued: _____

_____
Secretary

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

Resolution No. 94-27

WHEREAS, the Executive Director is requesting authorization for two Port Commission representatives to travel to Asia and Europe during Winter/Spring 1994 to develop business opportunities.

WHEREAS, the costs of this trip have been included in the Port Commission's Fiscal 1993-1994; now therefore, be it

RESOLVED, that the San Francisco Port Commission hereby approves this travel request.

I HEREBY CERTIFY, that the foregoing resolution was adopted by the San Francisco Port Commission on February 22, 1994

_____

SECRETARY

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3
2/22/94

SAN FRANCISCO PORT COMMISSION

FEBRUARY 22, 1994

MINUTES OF THE MEETING

MEMBERS, PORT COMMISSION

Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

DENNIS P. BOUEY, EXECUTIVE DIRECTOR

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SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA

FEBRUARY 22, 1994
MINUTES

1. **ROLL CALL**

The regular meeting of the Port Commission was called to order by President Cook at 4:10 p.m. Present were:

President Preston Cook
Vice President Anne Halsted
Commissioner James R. Herman
Commissioner Frank O'Neill
Commissioner Ming Chang O'Brien

2. **APPROVAL OF MINUTES**

President Cook mentioned that the minutes of the last meeting were amended and will approve the minutes as amended.

ACTION: Commissioner Chang O'Brien moved approval.
Commissioner O'Neill seconded the motion.
All members in favor.

3. **EXECUTIVE REPORT**

A. The Executive Director reported on the following issues:

- Catellus - Mr. Bouey reported that last week we received $873,000 for the transfer of a parcel known as "PP." The total amount to be paid by Catellus to the Port should have been $950,000; approximately $77,000 is still in dispute, which will be discussed at the Executive Session. Mr. Bouey added that the check we received from Catellus has cleared the bank.

- "Pilot" Sign - Mr. Bouey reminded the Commission that the Commission sometime ago passed a resolution for the broker participation to the City and the staff has designed a "pilot" sign to go on Port property. Mr. Bouey presented the "pilot" sign to the Commission for their review. Mr. Bouey suggested that should the Commission have any comments/changes to the signs, that he should be notified after the meeting or in the next couple of days. Mr. Bouey mentioned that the signs will be approximately 3 ft. x 5 ft. in size and will be attached to those spaces that are most susceptible to broker participation.

- Scoping Meeting - Mr. Bouey reported that on February 28, the City will hold a Scoping Session for alternatives involving the Embarcadero. It's the Executive Director's intention to attend the meeting along with some Port staff in an effort to ask the Scoping Committee to consider rebuilding a plaza in front of the Ferry Building. Mr. Bouey noted that this will be the Port's last opportunity to have it considered. He further noted that the fact that the Committee will entertain this idea would not mean that it will be approved; this is simply an alternative that the committee would look at as they go through their EIR process.

- Public Toilets - Mr. Bouey reported that the City wants to implement public toilets throughout the City and the quid-pro-quo in return for these toilets is the kiosks with advertising will be permitted throughout the City. Currently, the City is slated to receive four of these public toilets and eight or nine of these kiosks. In the Executive Director's perspective, there are several problems:

  (1) How the agreement was constructed between DesCaux (provider of the toilets and kiosks) and the City in terms of the Port's authority on its own property. Mr. Bouey believes that problem is resolvable.
  (2) Number of issues contained within the agreement and has pointed out at least 20-30 issues also appear resolvable.
  (3) Location of kiosks. While the City is in great need of public toilets in certain areas of the City, such as the Tenderloin, that area is not where the advertisers want the kiosks to be. DesCaux prefers it to be located in areas where the most people are, such as the Fisherman's Wharf and Pier 39 because of the millions of visitors that frequent the place each year. It's the Director's intention to have staff meet with the Department of Public Works, who is working on this project for the Mayor, and to meet with DesCaux people to find out exactly what locations they are interested in; and in turn, meet with our tenants to see if there are any objections, if not, the Director hopes that we will move smoothly onward and work our way through should there be a conflict. Mr. Bouey then introduced Mr. Vit Troyan from the Department of Public Works.

President Cook emphasized that this is not in the agenda and that this item is not ready for a vote. Mr. Bouey indicated that this is purely informational.

President Cook noted that a presentation on this issue was heard late last year and asked whether negotiations are still underway before a resolution comes before the Commission for approval. Mr. Bouey reported that a meeting was held Saturday morning, February 19, with the City Attorney, Mr. Troyan and Mort Miller of the Mayor's office and all the issues concerning the Port were discussed. Mr. Bouey further indicated that there are a great many issues yet to be resolved but believes that most of them are resolvable. Mr. Bouey's concern is the exact location of the kiosks. Until that is resolved, the Executive Director will not present a resolution to the Commission.

Mr. Vit Troyan, representative of the Department of Public Works (DPW), confirmed that the Commission did receive a briefing in September and received pamphlets about what the public toilets and kiosks look like. Mr. Troyan updated the Commission regarding the process and further mentioned that DPW has nearly completed negotiations of the contract with J.C. DesCaux. The Dept. of City Planning has already given them environmental clearance, as well as the Master Plan compliance. The Art Commission has given approval to Phase 1, 2, and 3 for both the public kiosks and the automatic public toilets. The Recreation and Park Commission has approved the location of public toilets on two sites within their property. What remains is the approval of the Port Commission and ultimately approval of the Board of Supervisors. DPW hopes to come before the Commission with specific site approvals. Mr. Troyan indicated that on a citywide basis, the contract provides for 4-1/2 public service kiosks for every toilet. The initial phase of the installation showed 4 toilets on Port property and 8 public service kiosks. DPW is honoring Mr. Bouey's request that when he gives approval to the project, Mr. Bouey would like to make sure that he knows everything he's buying so that he doesn't get public service kiosks placed on Port property while toilets are placed on other locations in the City. Mr. Bouey, before the meeting, was provided a letter memorializing what Mr. Troyan believes were Mr. Bouey's comments at the meeting. Mr. Troyan thinks that this project is doable and thinks that it would be good for all the people of San Francisco and looks forward to bringing this project to the Commission for approval.

There were no other questions from the Commission and President Cook thanked Mr. Troyan for his presentation.

Mr. Pat Flanagan, representing the Fisherman's Wharf Merchants Association, spoke on this issue. Mr. Flanagan

pointed out that the Commissioners should be aware that this project is not a new idea. Supervisor Wendy Nelder had originally proposed this proposal and had a good negotiator representing the City and the Port because the toilets were going to the Port at no cost to the Port. The advertising was going to be at the dictate just on the restrooms, not the kiosks to pay for the toilets. Mr. Flanagan emphasized that Fisherman's Wharf already has numerous signs advertising a multitude of various issues. The wharf needs public restrooms but does not need twice as many signs as we are getting for restrooms. Mr. Flanagan suggested that DPW call Supervisor Nelder because she was able to negotiate a strong and tougher contract with DesCaux. Mr. Flanagan believes that the contract now is giving a lot of things away from the Port with very little benefit in return. The Commission should be aware that the wharf association is not going to be favorable to putting up sign kiosks all along the waterfront. Mr. Flanagan suggested that a review is needed on who's negotiating the contract for the City and the Port.

President Cook indicated that the Commission knows who's negotiating for the Port but not for the City. A resolution will be brought before the Commission for further discussion.

Mr. Bouey indicated that it was mentioned to DPW that a decision will not be made until the Port has met with its wharf tenants.

B. Request for Proposals for the Selection of Underwriters for a Negotiated Sale of Bonds to Refund Outstanding Revenue Bonds Series A, B, and C

Mr. Bouey indicated that some time ago, the issue of reducing the debt service that the Port pays was discussed. At that time, it was thought at best that a competitive bid process would be in the Port's best interest. In reviewing the current market conditions and more importantly the condition of the Port, Mr. Bouey is of the opinion that a negotiated sale would be best for a number of reasons. The most important is the Port fits into the category best described as story bonds. The Port has been out of the bond market for quite sometime and there are some negatives attributed to the Port but at the same time, it looks like the Port has a bright future. An RFP is being presented so that Port staff may get an underwriter and perform a negotiated sale.

ACTION: Commissioner O'Neill moved approval.
Commissioner Halsted seconded the motion.
All members were in favor, resolution was adopted.

Mr. Pat Flanagan, representing the Fisherman's Wharf Merchants Association, spoke on this issue. Mr. Flanagan's understanding is that one of the bond issues being thought of is being refunded. The bond issue has passed and the ballot argument was under his signature along with a number of other people. Mr. Flanagan reminded the Port that the bond issue was originally issued for marine infrastructure improvements for Fisherman's Wharf to clean the breakwater and Jefferson seawall. Both those projects came in under budget and the capital funds on those bonds were never used in its entirety for the development of the Fisherman's Wharf Action Plan such as the Hyde Street Pier or the breakwater. Mr. Flanagan commended Mr. Abernathy and present staff of refinancing the bonds. He mentioned that with the current interest rate, to think about refinancing would be a tremendous advantage to the Port. Mr. Flanagan further reminded the Commission that those bonds were originally earmarked by the voters of San Francisco to be spent on Fisherman's Wharf and are not to be spent to pad the operating budget of the Port. Mr. Flanagan fears that the windfall profits that the Port experiences through financing will feed the operating budget rather than the capital construction budget and rebuilding the Port's infrastructure which is what the voters of the City voted on originally. Mr. Flanagan mentioned that the Commission should be aware that if those funds are not earmarked in that direction, it would be a violation of voter's trust under the bond issue.

Commissioner Chang-O'Brien inquired whether the original funding from the bonds was under-utilized according to the capital budget.

Mr. Flanagan indicated that was true and that Mayor Feinstein has supported the bond issue to build the breakwater completely with Port and the City and County of San Francisco's funds. They made a last ditch attempt at the last minute to go back to Washington, D.C. with Phil Burton to get the funding from the federal government which they were successful and it was the only major waterworks project passed in the U.S. in the last 15 years. As a result, a substantial amount of those funds that former Mayor Feinstein originally slated for the breakwater were never used. They were certainly used to build the Jefferson seawall. Instead of the City or the Port funding 100% of the breakwater, the Agreement with the Reagan Administration was that the City only had to fund 10% and certainly the breakwater was more expensive as the Army designed it but the cost savings to the Port and the City resulted in substantial money sitting in the bond fund for years and has never been expended. The monies need to be expended on capital improvements of the Port's infrastructure as the voters intended, particularly in the fisherman's wharf area.

Commissioner Halsted commented that it's her recollection that those bonds were to be used for a number of purposes including the

fisherman's wharf. Mr. Flanagan concurred. Commissioner Halsted mentioned that the Port from time to time has a summary of expenditures and requested an update.

Mr. Bouey pointed out that revenue bonds cannot be spent on operating bonds. Commissioner Halsted requested that the Commission should have an update on the bond issue. Mr. Bouey requested Ben Kutnick to prepare a memo to the Commission.

Commissioner Cook inquired if this is in concurrence with Mr. Flanagan's interpretation.

Mr. Bouey indicated that he doesn't have any knowledge with regard to how the monies were spent. Mr. Bouey assumes that the City Attorney will not allow the Port to spend revenue bonds contrary to the covenance contained in the bond. With regard to Mr. Flanagan's comments that revenue bond money should not be spent for operating costs, Mr. Bouey reiterated that the Port would not do that and to the best of his knowledge, has never been done at the Port. Mr. Kutnick concurred with Mr. Bouey.

C. Resolution of Commendation to Michael Janis for Outstanding Service to the Port of San Francisco as Director of Tenant Services.

Commissioner Cook thanked Michael Janis for the good work he's done at the Port and to its tenants. He mentioned that it's a great loss to the Port that he's no longer employed at the Port.

ACTION: Commissioner O'Neill moved approval.
Commissioner Halsted seconded the motion. All were in favor, resolution was adopted.

D. Resolution of Commendation to Elizabeth Day for Outstanding Service to the Port of San Francisco as Secretary to the San Francisco Port Commission.

Commissioner Cook mentioned that Ms. Day was extremely helpful to him. Ms. Day had put together an impressive package for him when he became a Commissioner. The Commission appreciates her services at the Port and wishes her the best in her retirement.

ACTION: Commissioner O'Neill moved resolution.
Commissioner Chang-O'Brien seconded the motion.
All members were in favor, resolution was adopted.

Commissioner O'Neill questioned the scheduled Commission dates in June. Commissioner O'Neill noted that June 28 is the 5th Tuesday in June and June 21st is the 4th Tuesday of the month. Commissioner

asked that the date in the schedule be changed. Mr. Bouey mentioned that a revised copy of the scheduled meeting dates will be sent to the Commission.

Note: A revised schedule was sent reflecting that June 14th as the 2nd Tuesday in June and June 28th as the 4th Tuesday is correct.

4. CARGO SERVICES - No Item Calendared

5. TENANT SERVICES

A. Approval of Lease with Delancey Street Foundation, Inc. for storage purposes on Pier 36 (located near Townsend Street)

Mr. Bouey mentioned that this is a straightforward item, we're leasing space out at Pier 36 to Delancey Street.

ACTION: Commissioner Chang-O'Brien moved approval.
Commissioner Halsted seconded motion.
All members were in favor, resolution was adopted.

6. ENGINEERING

A. Contract No. 2593, "Pier 45 Earthquake Repair Project, Pier and Building Repair." Award of Contract to Arntz Construction at a cost of $9,383,027 or the lowest responsive bidder and permission for Homer J. Olsen, Inc. to withdraw its bid.

Mr. Bouey mentioned that on this item, the low bidder made a clerical error and with Commission's approval, be allowed to withdraw its bid. The second contractor has been deemed ineligible by the Human Rights Commission (HRC), which would then award the contract to the third lowest bidder, Dan Caputo, for approximately $15,000 more than the second bidder. Mr. Bouey received a fax at 1558 hours today from representatives of Arntz Construction asking that this item be put over because they haven't had the opportunity to respond to their being declared ineligible. To clarify matters, Mr. Bouey mentioned that the issue that Arntz faces is not before the Commission but rather with HRC. If it does not violate any of the bid covenants, Mr. Bouey concurs in putting this item over to the next meeting, informing Arntz that they have two weeks to work out their possible disagreement with HRC; but if HRC deems that they are still ineligible, Mr. Bouey recommends that in the first meeting in March, the contract be awarded to Dan Caputo Company. Mr. Bouey inquired as to the time frame of the contract. Mr. Cliff Jarrard, Chief Harbor Engineer, replied that the contract is very tight but can afford the two-week delay but no longer than that. Mr. Bouey asked if this falls within the 60-day bid requirement. Mr. Jarrard concurred.

Commissioner Herman asked whether this highlights a uniform procedure where questions relating to HRC issues outreach the employment that is for women and minorities that this be pre-form so that there should be no room for error.

Mr. Bouey indicated that the problem here does not reside with the Port but with HRC. HRC, in its requirements, has required that contractors bidding this contract meet certain minimum standards with regard to MBE/WBE participation. If the contractor fails, they then must demonstrate that they made a good faith effort. The determination by HRC is that Arntz Company failed to meet the minimum requirement and the good faith effort standard. Port's position is without HRC's deeming a company eligible for award, Port will not be able to award to that company. Arntz Company would like an opportunity to straighten out the issue with the Port. Mr. Bouey reiterated that Arntz Company's issue is not with the Port, but rather with HRC.

Commissioner Herman asked if that meant that there is, in fact, a uniform policy as a pro-form part of any bid, be it commercial or maritime. Mr. Bouey mentioned that in those bids that require e.g. MBE/WBE subcontracting opportunity, a goal is set and within the Chapter 12 ordinance, it enumerates the steps that the Contractor must go through in order to have made a good faith effort. In this case, HRC has deemed that the second lowest bidder has not met that standard. Included in the bid specs sent out is that information from HRC which declares not only what the goals are but what the contractor must do to meet that standard.

Commissioner Herman raised the issue because former Director Huerta was involved in meetings where the question of a rigid uniform policy be drafted, be adopted by the Commission and be adhered to. Commissioner Herman wondered about the status of the development of such a uniform policy.

Mr. Bouey reiterated that with regard to certifying whether or not a firm has met HRC requirements, HRC has the authority, not the Port. HRC has deemed that this company failed that standard. At the Executive Director's meeting with the Port Commission, he indicated that he had met with Ed Lee and Zula Jones with the purpose of developing a checklist that our staff should follow in putting together contracts and RFP's to ensure that the Port is doing everything it can to meet the test of Chapter 12. As well, Mr. Bouey wants to ensure that the Port is doing the proper outreach to ensure that the Port reaches all the citizens and companies that are located within the City and County of San Francisco. However, that's a different issue than what's before the Commission at the moment. Commissioner Herman believes that the Port is obligated and committed to bending any

effort to create uniformity so that there cannot be any room for errors.

Deputy City Attorney Rob Maerz clarified that several of the bidders filed bid protests. The protests concern respective 2nd, 3rd, 4th and 5th low bidders in compliance with the Affirmative Action requirements of the contract and also their satisfaction of subcontractor listing requirements. After the protests were received, each of the bidders who were protested were afforded an opportunity to respond to the protest. After those responses were received, the protest was then referred to HRC for resolution of those issues concerning Affirmative Action compliance and the other issues were referred to the City Attorney's office. HRC reviewed the protests and determined that Arntz Construction was not in compliance with the good faith efforts requirements of the contract, which were included in the specifications and mandates consistent with the City's Administrative Code that in instances in which the bidder does not meet the goal and does not adequately demonstrate good faith efforts, their bid must be rejected. The conclusion of HRC was that Arntz did not meet the MBE or WBE goal, did not meet the good faith efforts requirements and, therefore, is ineligible for award. The City Attorney's office has rendered an opinion on the protest and has concluded that Arntz is not eligible for award and agrees with HRC's determination that Caputo, the third low bidder is eligible for award. Arntz has submitted a letter in which they have requested an opportunity for a hearing on the determination of their responsiveness. In this instance, they were determined to be non-responsive and under case law, they are not entitled to a hearing. If the Commission would like to defer this to another meeting, they may do so but the City Attorney's decision will not change. Arntz, in their opinion, will continue to be non-responsive and they have already been afforded the due process opportunity to respond to the protest that were filed and the City Attorney's opinion has been rendered.

Commissioner Cook mentioned that the resolution for approval that's before the Commission is that Arntz was acceptable. Mr. Maerz informed Commissioner Cook that at the time the resolution to award to Arntz or the next lowest bidder was prepared, it was not clear how the bid protest decision would come out. As a matter of fact, the bid decision was not made until yesterday. In order to keep the matter on the calendar and keep the options open, it gives the Commission latitude to award to the next lowest responsive bidder. A substitute resolution has been prepared by Cliff Jarrard and will be introduced to award to Dan Caputo Company.

Mr. Flanagan spoke on this issue. He inquired about the involvement of Moffet and Nichol in regards to assisting Port staff in reviewing these contracts. Mr. Cliff Jarrard informed Mr. Flanagan that Moffet

and Nichol was the design contractor in the contract and have done a good job in the contract. As far as review of bids are concerned, it's not Moffet and Nichol's responsibility but its the City Attorney's office, Human Rights Commission and Port engineering staff. Mr. Flanagan mentioned that it bothers him because in the last previous two contracts, there were major cost overruns, which raises some serious issues, particularly in the engineering approach on Pier 45 on the seismic upgrade. There were two approaches taken. The Port originally chose the approach that is not generally the way projects of that size proceed, but it was cheaper. After the fact, the cost overrun on that contract went up. Mr. Flanagan remarked that the more accepted approach of engineering for Pier 45 for the seismic upgrade was originally more expensive but in the long term had been, not only more cost-effective, but also in the event of a major earthquake in San Francisco would have been far more effective in protecting Pier 45. Mr. Flanagan has expressed his concerns to Moffet and Nichol. However, the approach that the Port took on Pier 45 was an approach that's been used successfully on very small projects, nothing to the extent of large square footage that comprises Pier 45. The engineering approach on Pier 45 was more expensive and has been proven to be more effective on major earthquakes. If Moffet and Nichol did the original preliminary design, in conjunction with Port engineering staff, it seems that these are warning signals that something is wrong with the system, whether it's in HRC or how we are controlling the contracts.

Commissioner O'Neill would like to know if we had in fact, had any cost overruns in these last contracts. Mr. Jarrard reported that there was a change in the grouting contract, whereby it was determined by our consultant that the contractor had to grout more densely and had nothing to do with the grouting contractor. Even though the contract was to end in June, the contract has one more week before completion and will, in fact, come in under the budget as modified. In the previous Commission meeting when the grouting contract was presented, Commission was advised that the cost of the contract would be $2-3 million. The final contract would probably be around $1.5 million, significantly less than the original contract cost. The reason that there was a variation in numbers was unfortunately the dense grouting. The Engineer's estimate on this contract is $12.4 million and even with the third low bidder's bid which is $9.3 million, it's still significantly under budget. In the case of contract no. 2 and contract no. 3, the projects will be under budget.

Commissioner O'Neill's reiterated that the grouting, as revised, will come four months early and under budget. Mr. Jarrard concurred.

It was Commissioner Chang-O'Brien's recollection that on the previous modification, staff was required to come before the

Commission for approval. In this particular resolution, staff is asking for an allowance of 10% which is close to a $1 million, Commissioner Chang-O'Brien inquired whether there would be an impediment if staff has to come to the Commission again at a future date. Mr. Jarrard mentioned that as a policy Port could get to a point where it can demobilize the contractor. If preferred, status report may be provided to the Commission but to have to come back to the Commission could be costly. Commissioner Herman asked whether staff can anticipate when we are heading into a situation that inevitably result in a cost overrun, so it can be dealt with it before it happens. Mr. Jarrard said that we could sometimes anticipate the issues. Commissioner Herman is concerned about project cost overruns occurring more frequently. Commissioner Herman is interested in having a bid which is accurately as possible. Since the Port has had an experience of building in a 10% limit in a cost overrun, Commissioner Herman requested if something can be drafted for consideration by the Commission.

Julie Van Nostern, Legal Counsel, commented that this particular project is covered under FEMA. FEMA is alongside the Port in reviewing the project and basically authorizing the project funds. It's Commission's prerogative to delay a project when it determines it appropriate. The downside, however, is that those delays cost money and FEMA wouldn't reimburse it. Commissioner Herman addressed the issue of where there is cost overrun as a normal part of the procedure, not FEMA issue. Ms. Van Nostern mentioned that the Executive Director is planning on submitting to the Commission on how to handle this type of situation. Ms. Van Nostern recommended to give the Executive Director the opportunity to come up with some guidelines for these kinds of instances outside of the Pier 45 realm. Ms. Van Nostern noted that 10% is fairly standard on City contracts about having to reserve in terms of contingencies, which is done to alleviate delay cost whether it be FEMA or not. Commissioner Herman has no objection to the Executive Director's putting forth a resolution before the Commission a proposal that reaches the objective being addressed. Ms. Van Nostern apprised the Commission about the FEMA component on this particular contract. Because this is an earthquake project, she anticipates there will be items that will be uncovered that staff couldn't reasonably expect until staff gets into the work. Commission should anticipate that there might be something that comes up that the Commission will be apprised of at a later date.

Commissioner Chang-O'Brien recollection's is when the Commission approved the modification which is about $800,000. The Port is contributing 35%, which is substantially high. Mr. Jarrard clarified that since staff did not know who the contractor, staff estimated money that was available. As a matter of fact, the Port may

contribute $140,000, or possibly lesser if successful with staff's appeal to FEMA. This contract is 98% -99% outside funding. Contract #2, grouting contract, is 100% outside funding. As indicated by Ms. Van Nostern, in order to get changes approved, 10% is not unusual when dealing with unknowns. Port staff has to get approval from its funding partners before modifications are executed. Staff doesn't come to the Commission until staff gets assurance that we get reimbursement. Commissioner Chang-O'Brien indicated that when the modifications were brought to the Commission's attention 8 months ago, that there will be delays caused by a Special Meeting, possible delays and fines by the contractor. The contract now is going to be finished several months ahead of time, apparently that was not an issue, in terms of coming back to Commission for approval. Commissioner Cook requested staff to make recommendations to the Commission, in the future, regarding other contingency fees. Because of the importance of the contract, Commissioner Cook is concerned about coming to the Commission again. Commissioner Herman indicated that since we spent a considerable amount of time pursuing this issue, he agreed to putting this contract over one meeting.

Commissioner Halsted withdrew her motion and that Commission would like to consider the response of the other firm that apparently has already had opportunity to respond. She mentioned that it might be inappropriate to delay this contract for that reason and asked for the Executive Director's comment. Mr. Bouey mentioned that as he read their memo, they did not become aware until today that the decision to award the contract will not be made to them. It's for that reason, that the Executive Director is suggesting we put this item over so staff may write a letter and make a phone call, suggesting that the contractor meet with HRC, not the Port, on this issue. If the contractor cannot convince HRC, it will not be eligible next week. In the meantime, Mr. Bouey indicated that he's more than happy to talk to Commissioners Herman and Chang-O'Brien with regard to the idea of modifications of contracts and what the implications are.

ACTION: Commissioner Halsted withdraws her motion.
Commissioner O'Neill seconded the motion.

Commissioner O'Neill reiterated that this will be heard at the next meeting. Mr. Bouey concurred.

Roger Hughes, representing the third lowest bidder, S.J. Amoroso Construction Company, acknowledged that it's exhausting to listen to all bid protests. Mr. Hughes indicated that Commission should recognize that the protests is a reflection of a challenging time for contractors. On this particular project, the dollar difference between the 1st and 3rd low bidder is $30,000. This is a very competitive

situation. The contractors are faced with a number of difficult issues with putting together a bid proposal and the requirements of the Human Rights Commission add to those. Contractors want to know what the rules are and whether those rules will be enforced. Mr. Hughes agreed with the City Attorney's decision with regard to Arntz's bid but disagreed with regard to Caputo Company. Mr. Hughes mentioned that on page 11 of the City Attorney's report, City Attorney addressed the issue of fire sprinkler work, Caputo listed Rosas Construction for fire sprinkler work. Commission should be aware that the jist of Amoroso's complaint is that Caputo listed Rosas Const. Co. for $604,000 and under the trade "U" Piping. Mr. Hughes mentioned that Caputo used very ambiguous, very confusing terminology which was meant to cover what is traditionally looked at as three separate trades. Amoroso listed Rosas Construction Company as well for what they did, storm underground, which is essentially 1/3 of what Caputo is saying is included. Amoroso called Rosas and asked whether the scope of work with Caputo was changed, their answer was "no" it didn't changed. He indicated this should be suspicious to anyone who understands construction and what the City Attorneys did was ask Caputo what they meant by that indication. Mr. Hughes thinks what went on was Caputo knew it was in trouble on its HRC requirements. It got down to the bid time and threw in $604,000 number because that's what made their goal for them and figured that they would worry about it later on how they would straighten it out. Mr. Hughes thinks that the City Attorney should have called Rosas and inquire if they, in fact, bid on bid day all three elements of this work, which Caputo mentioned as part of the bid package. Mr. Hughes believes that this would have been appropriate. They are now saying that the fire sprinkler portion of the work is also under the same line item. Mr. Hughes believes that it's absolutely critical that Commission require from the City Attorney a finding that Caputo included that work from a bid from Rosas on bid day, and not after bid maneuvering to try to comply with HRC requirements. Mr. Hughes agrees with Commissioner Herman that we should have our rules and stick to them and simply asking Caputo what they meant was not adequate or sufficient. That question should be addressed to Caputo directly and should be put to the superior directly as Mr. Hughes is quite confident that the superior will say "no" they did not bid on bid day. Rosas will not say that they did all these elements of work on bid day. There are a lot of maneuvering going on after the bid to try to comply, and Commission should reject that. Mr. Hughes requested that the City Attorney investigate further on the Caputo bid.

Commissioner Cook concurs that there are some problems that need to be resolved and negotiating to resolve those issues. Commissioner Cook, after hearing the testimony, is not convinced that it is a fair deal on whoever gets the deal.

Mr. Espana, also representing S.J. Amoroso, spoke on this issue and mentioned that if the Commission accepts Caputo's bid, Commission is actually having to waive irregularities on their bid. On the record S.J. Amoroso did not have a bid protest against it in regard to its listing, only in regard to Caputo not meeting the MBE goals. Mr. Espana thinks Human Rights Commission accepted Amoroso's bid as they made a good faith effort and Commission would not have to waive irregularities in their bid. They are in actuality, the lowest responsive bidder because if the Commission waive the irregularities in Dan Caputo's bid, Commission will be compromising its own bid process.

Randall Smith, representing Dan Caputo Company, elected to defer his comments at the next meeting.

ACTION: Commissioners decided not to take action on this issue until the next meeting.

B. Contract No. 2592, "Drydock and Overhaul of the Fireboat Phoenix."award of contract to Bay Ship and Yacht including the base bid and Additive Alternatives at a total cost of $100,002.

Mr. Bouey requested approval of the resolution to award the contract to Bay Ship and Yacht to overhaul the fireboat Phoenix.

ACTION: Commissioner O'Neill moved approval.
Commissioner Herman seconded motion.
All members were in favor, resolution was adopted.

Mr. Richard Harden, Executive Secretary of the Bay Cities Metal Trades Council, spoke on this issue. Mr. Harden recognizes that the Commission put this out for a second bid. Unfortunately, the firm who was awarded the contract is non-union. Mr. Harden believes the reason the San Francisco firm was not awarded the contract is because it pays union wages and benefits and the firm awarded the contract does not meet that criteria.

Commissioner Herman withdrew his motion. Mr. Harden emphasized that the Port should take care of San Francisco companies first. Commissioner Herman agreed with Mr. Harden. Commissioner Herman was sorry about what happened but mentioned that it's not within the controls of the Port. Commissioner Herman hopes that Port can get into a situation where such things cannot happen because there will be some fair standards that have to be met by everyone.

ACTION: Commissioner O'Neill moved approval. Seconded by Commissioner Anne Halsted. Four "yes" votes with the dissenting vote by Commissioner Herman. Resolution adopted.

C. Professional Services Contract No. SA3992026, "Ferry Building Earthquake Damage, Seismic Analysis and Repair Design," H.J. Degenkolb, approval of Modification No. 12 for $55,100.

Mr. Bouey requested approval of the resolution for $55,100 for the modification of existing contract for additional design and construction review services.

ACTION: Motion by Commissioner O'Neill. Seconded by Commissioner Halsted. All members were in favor, resolution was adopted.

D. Professional Services Contract No. SA3930040, "Tunnels No. 3 and No. 4, Track Modifications," Sverdrup Civil, Inc., approval of Modification No. 1 to authorize Stage Two Final Design Work at a Cost of $140,000.

Mr. Bouey indicated that this resolution is to provide for the design of the Gaunlett track on Tunnels 3 and 4 in order to accommodate double-stack railroad cars. Mr. Bouey emphasized that there are still some issues that are unclear but staff is working with both Southern Pacific and Evergreen to go forth with the project. However, in order that all the mechanisms are at work, staff needs to go forward with this contract. He mentioned the former because if we decide not to go forward we will stop the contract immediately and has a termination of convenience clause in it but we may be in a position where we may spend literally tens of thousands of dollars for something that may not happen.

Commissioner Chang-O'Brien felt that this is a very strong indication of the Port's interest and commitment to keeping Evergreen to servicing our customers and are very competitive with the other major ports in the bay area. Mr. Bouey mentioned that was a very appropriate comment because the Port certainly wants to do everything it can to keep Evergreen as the anchor cargo tenant because they are very important for our cargo future.

Commissioner O'Neill indicated that if the Port is going to stay in maritime business, the tunnel project has to be done. Commissioner O'Neill congratulated Mr. Bouey that the Port has an agreement with the Joint Powers. Mr. Bouey reiterated that staff is moving close to an agreement, but not quite there yet. Commissioner O'Neill strongly endorses this project.

ACTION: Moved by Commissioner O'Neill
Seconded by Commissioner Halsted.
All members in favor, resolution was adopted.

E. Contract No. 2597, "Fishermans' Wharf Sidewalk Improvements," authorization to advertise for bids at an estimated cost of $200,000.

Mr. Bouey mentioned that this contract is to implement the plan, commonly known as the "Kriken"Plan, at least a portion of it. It's important to note that staff is fast tracking this contract. The design is on going now, in fact, staff is awarding the contract in front of the design in an effort to try and perform and finish all the construction prior to the tourist season in May. Staff is doing this a little differently than normal.

Commissioner O'Neill mentioned that Fisherman's Wharf Association has some parking monies and inquired if they are voluntarily doing a pedestrian walkway. Mr. Bouey indicated that the Port will fund this project out of those monies. Commissioner Halsted mentioned that this program is fully supported by the merchants of the wharf. Mr. Bouey mentioned that to date, he hasn't heard anyone not in favor of this project. Commissioner Halsted remarked that she is fully in favor of this project. Mr. Bouey mentioned that, along with staff, he has taken a look at traffic in the area and have discussed this issue with Fisherman's Wharf tenants but have not come to a conclusion. Mr. Bouey thinks that the traffic in that area goes backwards. What Mr. Bouey intends to do is reverse the pattern so that traffic heads back in front of our restaurants. Mr. Bouey hopes that the project will be completed sometime in May.

ACTION: Moved by Commissioner O'Neill
Seconded by Commissioner Chang-O'Brien
All members were in favor, resolution was adopted

Mr. Bob Flanagan, representing Telegraphic Hill Dwellers, commending the Port finally getting work in the area after spending $900,000 hiring a firm to do a development plan at Fisherman's Wharf over six years ago. Mr. Flanagan reminded the Commission as he did about 15 months ago, that there's still an obligation to give up approximately 30 feet on the westerly side comprising the triangle to open space for complete public access and sees nothing in the short form of the Kriken plan to implement that public access and open space at the property line directly south of the octagonal building and directly west of the former Biardi Restaurant. He further indicated that the other part of the Kriken plan, which is not included, is the opening up of Mason Street through the triangle parking lot that would facilitate traffic moving a great deal. That should be given high priority to reopen Mason Street all the way to Embarcadero from

Jefferson. He further mentioned that the Executive Director is moving very quickly on this and is impressed and hopes that something can be worked out for the Fisherman's Wharf and the community in general but we have a long way to go.

Commissioner Cook believes that this contract has anything to do with the open space, and will not impact it at this point. Mr. Bouey concurred that this project does not deal with the open space issue. Commissioner Halsted mentioned that she has gone over the plan in the past and concurred that this project does not deal with the open space issue. Commissioner Cook indicated that the open space issue will be coming up shortly for discussion.

Mr. Pat Flanagan, representing the Citizens Advisory Committee Technical Subcommittee, echoed Mr. Tibbits commendation of Mr. Bouey. However, Mr. Flanagan believes that a consensus should be developed. There was a consensus on the "F" line. There is a consensus for the wharf between the neighborhood group and the wharf merchant. This was presented to Fisherman's Wharf Board of Directors about a month ago by Mr. Bennett. Mr. Bennett brought some drawings, which were not anywhere near the drawings that the type of drawings Skidmore & Owens and Mr. Kriken has presented to the Citizens Advisory Committee nor was it comprehensive. Mr. Flanagan inquired if that was the Kriken Plan and if that was to be implemented and further asked if the drawings were shown to Mr. Kriken. Mr. Flanagan has spoken to Mr. Kriken this morning and was informed that Mr. Kriken has given all of his drawings to Port staff and does not have any copies, all done purely gratis. Mr. Flanagan added that the $900,000 spent to Skidmore and Owens did not cost the Port a dime and was funded through the redevelopment and funded through the political pressure of the Citizens Advisory Committee. He doesn't see why $200,000 is a major expenditure for the Port considering the amount of study done and spent on City funds. His concern is unless there's a strong commitment to implement the Kriken plan in its entirety, Port staff is moving toward major problems with the voters of the City. Mr. Flanagan believes that the Kriken plan cannot be implemented in a piece-meal manner, it's a comprehensive approach that neighborhoods, community, merchants have agreed to. He would hate to see that a governmental body is going to frustrate the consensus of the taxpayer. Commission should be fostering consensus building among the merchants and among the residents. He fears that without Mr. Kriken's involvement and review of the drawings as presented to wharf's association that the Port is heading into a problem.

Mr. Bouey commented that the reason we are doing it piece-meal is because this is the largest piece we could buy off and it was the Fisherman's Wharf tenants'demonstration that we are committed to

that area and want to make improvements and it's certainly the Port's intention to come back after the tourist season and see if staff can make other improvements as well. With regard to his second comment, Mr. Bennett specifically met and discussed this plan with Mr. Kriken and believes that Mr. Kriken has looked at the drawings - the same drawings shown to the Fisherman's Wharf Association and believed that it met with his approval. Mr. Flanagan remarked that Mr. Kriken has not done so as of 11 this morning. Mr. Bouey mentioned that he talked to him last week and he was under the impression that it has been done but will get a clarification on this matter.

Commissioner Halsted mentioned that she has been involved in the project and acknowledged that Mr. Kriken has been very generous in his services but realized that he is a volunteer and wants to ensure that the plan that SOM and Mr. Kriken worked on earlier gets done.

ACTION: Commissioner O'Neill moved
Commissioner Halsted seconded. All in favor.
Resolution was adopted.

7. PLANNING DEVELOPMENT & COMMUNITY AFFAIRS

A. Approval to Award the Professional Services Contract for CH2MHill Technical Design of the Pier 98 Wetlands and Open Space Project in the amount of $180,937.

Mr. Bouey indicated that this contract is to award to CH2MHill and, in return, they are to provide design services for the landfill closure, wetlands enhancement, shoreline erosion control and landscape architecture.

Commissioner O'Neill inquired if this has met all the criteria of the Port's bidding process and proposal to award to CH2MHill. Mr. Bouey concurred. Ms. Van Nostern replied that it was put out for Request for Proposals (RFP), responses were received, interviews were held, selection panel was chosen, and evaluation process was done. Commissioner O'Neill wondered if it would be improper or hurt ourselves to put this over for two weeks until something is verified. Karen Glatzel mentioned that we are falling behind in our schedule with BCDC. Mr. Bouey indicated that if staff informs BCDC that staff needs more time to investigate, BCDC might agree. Commissioner O'Neill feels comfortable to move this item for two weeks.

ACTION: Commissioner O'Neill moved.
Commissioner Chang-O'Brien seconded.

Commissioner Cook indicated that Commission agreed to putting this over but didn't agree to take any action in the next two weeks in this issue. Commissioner Cook asked if Commission wants any action taken on this issue. Commissioner O'Neill reiterated that there should be something investigated to clear the air. Mr. Bouey will meet with Commissioner O'Neill on this issue. Commissioner Cook was curious on what the Port is getting by this planning, and how this piece of dirt will be used in the future.

Ms. Karen Glatzel, manager of regulatory environmental services, and project manager, indicated that this contract is for the design in three stages of the conceptual plan for the development of the site, which includes shoreline erosion control, component, a wetlands enhancement component, an open space park component and also via the park, helps us close the landfill so that the Port meets the regional board requirements. This is the technical design, staff has already come before the Commission for an RFP approval. CH2MHill is the highest merit firm and recommends that Commission approve the contract so staff can move forward with the design.

8. INTERNAL AFFAIRS - No Items Calendared

9. CONSENT CALENDAR

A. Approval of Refunds and Allowance for the period ending January 31, 1994.

ACTION: Moved by Commissioner Chang-O'Brien
Seconded by Commissioner Halsted. All in favor, resolution was adopted.

B. Approval of Travel by two representatives of San Francisco Port Commission to Asia/Europe, in accordance with the Port's Fiscal Year 1993-1994 budget.

ACTION: Moved by Commissioner O'Neill.
Seconded by Commissioner Halsted. All in favor, resolution was adopted.

10. NEW BUSINESS

Commissioner Cook mentioned that Liz Lerma, Executive Director of Galeria De La Raza/Studio 24, would like to speak on an issue. Ms. Lerma wanted to comment on an issue which was dealt with at the last meeting - Resolution No. 94-21 concerning Piers 30-32 and developing an open market which Galeria De La Raza/Studio 24 is interested in participating in the future. Ms. Lerma is disturbed in the manner in which the resolution was introduced since there was no RFP. Ms. Lerma emphasized the

importance for Galeria to be able to participate in projects that are open to the RFP process so that the entire community can participate in public projects such as this and hope that perhaps an RFP type process can be implemented in developing Pier 30-32.

Commissioner O'Neill clarified that this is a "pilot" project and suggested that she contact staff if she's interested in applying. Commissioner O'Neill mentioned that staff has not decided on anyone. Commission has only given staff authority to negotiate this as a pilot project. Mr. Bouey explained that the Port wants to find out whether or not such a concept is viable and would like to have an 18-24 month pilot project. Several entities have expressed interest in doing so. Mr. Bouey will provide the name and number of the staff to be contacted. Once this pilot project is over, most likely between 18-14 months, then it will be RFP. Mr. Bouey emphasized that whoever is selected for the pilot project, gains no advantage; they would have to compete on a level playing field with everyone else. Ms. Lerma asked if the pilot project involved actually developing the space and creating the market itself. Mr. Bouey mentioned that it will require certain financial improvements.

Mr. Dennis Broughton, representing Mission Economic and Culture Assocation, agreed with Liz Lerma. He, too, is interested in local piers and would like to get more information and be more than happy to meet and find out more details.

Commissioner Herman mentioned that for the record, an article in the San Francisco Business Week that tributes a remark to him was incorrect wherein he was alleged to have said that the Port is only interested in a single project. Commissioner Herman emphasized that was not an accurate statement on his behalf.

11. EXECUTIVE SESSION

At 6:20 p.m., City Attorney Julie Van Nostern announced that the Commission would withdraw to executive session for discussion of two items:

A. Real property negotiations with Southwest Marine, Inc., a California corporation at Pier 70. The City Attorney's office is of the opinion that an executive session is specifically authorized under California Government Code Section 54956.8.

B. Potential litigation between the Port and Catellus Development Corporation arising out of the respective parties' rights and obligations pursuant to the Agreement to License and to Option and the Irrevocable License Agreement Mission Bay Wetlands Park. The City Attorney's Office is of the opinion that based on existing facts and circumstances discussion of this matter in open session would

prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (b)(1) and (c).

Commissioners Cook, Halsted, and Herman returned from executive session, and convened in public session at 6:48 p.m. Commissioner Halsted reported that no action was taken on the two issues for discussion. Commisioners O'Neill and Chang-O'Brien were not present.

12. ADJOURNMENT - Meeting was adjourned at 6:50 p.m.

PORT OF SAN FRANCISCO

PORT COMMISSION

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SPECIAL MEETING
8:00 A.M., FRIDAY, MARCH 4, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

DOCUMENTS DEPT.
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AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES**

3. **EXECUTIVE**

   A. EXECUTIVE DIRECTOR'S REPORT

4. **CARGO SERVICES**

   A. Authorization to enter into a Tunnel Project Memorandum with the Peninsula Corridor Joint Powers Board regarding funding, design, construction cost reimbursement and title to improvements to provide for double stack train access.

      Resolution No. 94-38

5. **TENANT SERVICES**

6. **ENGINEERING**

   A. Contract 2593 for Pier 45, Earthquake Repairs, approval to allow Homer J. Olson to withdraw its bid and authorize the award to Dan Caputo Company if it is determined to be the lowest responsive bidder, at a cost not to exceed $9,398,205 and a 3% contingency.

      Resolution No. 94-28

7. **PLANNING AND DEVELOPMENT & COMMUNITY AFFAIRS**

A. Authorization to reject all proposals for Pier 98 Technical Design and Reissue a Request for Proposal.

Resolution No. 94-46

8. **INTERNAL AFFAIRS**

9. **CONSENT CALENDAR**

A. Contract No. 2584 - "Various Locations, Miscellaneous Earthquake Repairs," Frederick Meiswinkel, Inc., approval of Contract Modification No. 3 for $3,816.90.

Resolution No. 94-44

B. Recommendation regarding an appointment to the Port Commissions' Waterfront Plan Advisory Board.

Resolution No. 94-45

C. Declaration of Emergency Port Contract No. 2598, Emergency Pier 43 Oil Spill Remediation.

Resolution No. 94-35

10. **NEW BUSINESS**

11. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items.

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N O T I C E O F
C A N C E L L A T I O N

REGULAR MEETING - TUESDAY, MARCH 8, 1994

SAN FRANCISCO PORT COMMISSION

3100 FERRY BUILDING, SAN FRANCISCO, CALIFORNIA

PORT OF SAN FRANCISCO

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SAN FRANCISCO PORT COMMISSION MEETING DATES
1994

(Please note that Port Commission Regular Meeting dates have changed from Wednesdays to Tuesdays at 4:00 p.m.)

February 22, 1994
March 8, 1994
March 22, 1994
April 12, 1994
April 26, 1994
May 10, 1994
May 24, 1994
June 14, 1994
June 28, 1994
July 12, 1994
July 26, 1994
August 9, 1994
August 23, 1994
September 13, 1994
September 27, 1994
October 11, 1994
October 25, 1994
November 15, 1994
December 13, 1994

All Port Commission meetings unless otherwise noticed are held in the Port Commission Room, Suite 3100, Ferry Building.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

AGENDA SUMMARY SHEET

Meeting Date: 3/4/94
Agenda Item: 4A
Resolution No: 94-38

Subject: Authorization to enter into a Tunnel Project Memorandum with the Peninsula Corridor Joint Powers Board regarding funding, design, construction cost reimbursement and title to improvements to provide for double stack train access

Submitted by: Roger L. Peters
Director, Cargo Services

AGENDA CLASSIFICATION

___	Executive	___	Internal Services
_x_	Cargo Services	___	Legal
___	Tenant Services	___	New Business
___	Planning & Community Affairs		

BACKGROUND:

Freight rail service to the Port is provided by Southern Pacific Lines via a freight trackage agreement with the right-of-way owner, the Peninsula Corridor Joint Powers Board (JPB). To provide double stack rail access on this route, clearance improvements are required for Tunnels No. 3 and 4.

Port staff has negotiated the first of three agreements with the JPB; a memorandum of understanding (MOU) with the following major elements:

(Staff report continued on Page 2)

RECOMMENDATION:

Approve the resolution authorizing the Executive Director to execute the Tunnel Project Memorandum with the Peninsula Corridor Joint Powers Board.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	___ Motion	Date:
	___ Resolution	Approved:
	___ Ordinance	Disapproved:
	___ Information Only	Continued:

Secretary

(i:\wp51\agenda\jpbmou\tyl 2-28-94)

(Continued)

- Funding: The JPB, on behalf of the Port, will be the conduit for $2,400,000 for the tunnel improvements from federal funds. Port shall provide a match of $600,000. Several of Southern Pacific Railroad unions have filed complaints with the Department of Commerce against all JPB sponsored improvements. The complaint involves union jurisdictional issues between the JPB and these SP unions. Ordinarily, these issues should not effect our project. Nonetheless, the $2,400,000 for this project is being withheld from the JPB, as well as the funds for their other capital projects.

- Design: The MOU requires that design of the improvements is in accordance with JPB Track Specifications and Design Guidelines. Additionally, within specified geographic limits, the Port's project design must accommodate future electrification for transit purposes.

- Construction, Trackage Rights Agreement: Port shall obtain the authority to construct the project via an Assignment of Construction Rights from the Southern Pacific and shall be responsible for the construction of the project. The second Port agreement with the JPB will authorize this Assignment. The parties agree that the resulting tunnel project shall not result in a degradation of the JPB's transit system.

- Cost Reimbursement: Port shall reimburse JPB for all reasonable and actual costs incurred pursuant the construction of the project. These may include JPB staff time, consultants, flagging, engineering inspections, traffic delay (marketing, substitute bus service, added dispatchers), but excluding any lost ridership. JPB costs are restrained by an annual cap of $100,000, unless prior Port approval is received. Reimbursable costs for FY 93/94 are estimated to be within the $100,000 cap and are to be paid from construction funds. These funds are available within the project budget.

- Title: Title to all improvements shall be transferred to the JPB.

- Indemnity and Insurance: These matters will be addressed in the JPB's approval of Assignment of Construction Rights and in the Right of Entry (Construction Easement Agreement), the third contemplated document with the JPB. It will contain elements of indemnity, liability, insurance, access and activities associated with the actual construction of the improvements. Further, since the federal grant is in the name of the JPB and the funds are subject to federal audit, the Port has agreed, in a future agreement, to provide JPB with an indemnity, suitable to both parties, regarding expenditures that are not in accord with the terms of the grant.

Exhibits A-D are included in draft form only.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-38

WHEREAS, the Port of San Francisco's proposed Tunnel Project is a means of linking the Port of San Francisco's container terminals with rail lines for the movement of goods to and from inland destinations in our country; and

WHEREAS, the Tunnel Project includes installation of a gauntlet rail track between rail lines in Tunnels #3 and #4 and improvements related to decreasing conflicts between freight and commuter service; and

WHEREAS, the right-of-way is owned by the Peninsula Corridor Joint Powers Board; and

WHEREAS, the Port and the Peninsula Corridor Joint Powers Board wish to enter into a Tunnel Project Memorandum describing their respective rights and obligations; and

WHEREAS, the major elements of the Tunnel Project Memorandum include provisions for funding, design, construction, cost reimbursement and transfer of title of the improvements to the Joint Powers Board;

BE IT RESOLVED, that the San Francisco Port Commission authorizes the Executive Director, in consultation with the City Attorney, to execute on its behalf the Tunnel Project Memorandum. The Executive Director is further authorized to make any amendments necessary to the Tunnel Project Memorandum.

I HEREBY certify that the foregoing resolution was adopted by the San Francisco Port Commission at its special meeting of March 4, 1994.

_____
Imelda Quesada, Commission Secretary

TUNNEL PROJECT MEMORANDUM

This Tunnel Project Memorandum (the "Agreement") dated for convenience as of March __, 1994, is entered into by and among the Peninsula Corridor Joint Powers Board, a joint powers authority ("JPB") and the City and County of San Francisco ("City"), acting by and through the San Francisco Port Commission ("PORT").

RECITALS

A. PORT desires to facilitate the shipment of containers in double stack container cars ("container cars") which have car widths and heights that cannot pass through or by certain tunnels, bridges and station platforms belonging to JPB. Said container cars will be transported by Southern Pacific Transportation Company ("SPT"), which holds exclusive rights to ship freight on the JPB's tracks, pursuant to the terms of the Peninsula Main Line and Santa Clara/Lick Line Trackage Rights Agreement ("Trackage Rights Agreement")

B. In order to facilitate such operations, the PORT has proposed a range of certain improvements to the JPB's right of way to permit the transportation of double stack container cars, including the possible construction of a "Gauntlet Track" and related improvements, including a storage track, signals, crossovers, and modifications to certain bridges and station platforms (the "Project").

C. Pursuant to the terms of the Purchase, Sale and Option Agreement between JPB and SPT, SPT holds a "Construction

Easement," which includes the authority to construct storage tracks on JPB land between Bayshore and Brisbane, to construct a gauntlet track from the north end of tunnel 3 (where the PORT's container traffic will enter upon JPB's tracks) and the south end of tunnel 4, along with an interlocking signal system and four new power operated crossovers; many of these improvements are part of the Project.

D. Port plans to seek an assignment of the "Construction Easement" from SPT under the terms of the Purchase, Sale and Option Agreement between SPT and JPB.

E. Provided the Port obtains all necessary regulatory approvals, and an assignment of the "Construction Easement," and JPB consents to that assignment under the terms of the Purchase, Sale and Option Agreement, JPB is willing to cooperate with PORT in PORT's implementation of the Project in the manner and subject to the terms and conditions set forth in this Agreement, and PORT is willing to accept JPB's cooperation on such terms and conditions.

NOW, THEREFORE, in consideration of the foregoing, the parties understand and agree as follows:

1. Funding. Except as hereinafter provided, PORT shall obtain all necessary funding to complete the Project. The current budget for the total Project is $11,304,000. The JPB will apply for approximately $7,500,000 in Title 23 funds ("Title 23 Funds") designated for the improvement of rail facilities in the City and County of San Francisco, of which $2,400,000, if

obtained, will be specifically applied to the components of the Project shown in Exhibit A hereto. When required by the funding agency, PORT shall provide the 20% local match ($600,000) necessary to obtain the portion of the Title 23 Funds to be allocated to the Project. While the JPB will use its best efforts to obtain the Title 23 Funds, however, JPB makes no assurances that JPB's application will be approved. The $2,400,000 in Title 23 Funds, if obtained by the JPB, shall constitute the full limit of JPB's contribution to the Project, and JPB shall have no responsibility for funding, design, and/or construction of the Project from its own funds or any other funding source.

The effectiveness of this Agreement is conditioned upon (1) the grant of Title 23 funds being administered by the Federal Transit Administration (FTA) and there being no legislative changes affecting the allocation or disbursement of the Title 23 funds after February 15, 1994. In the event of a change of grant administrator or a legislative amendment affecting the allocation or disbursement of the funds, the parties agree to renegotiate the terms of this agreement.

PORT recognizes that JPB will be the grantee of the Title 23 funds and agrees to fully cooperate with the JPB in fulfilling its grant obligations, which include, but are not limited to, reporting and procurement requirements. As a condition of the JPB releasing any funds to the PORT, PORT agrees to provide JPB with an indemnity, suitable to both parties, regarding any

required repayment of any or all of the Title 23 funds expended on the Project. Construction shall not commence on the Project until the Project is fully funded and all necessary regulatory approvals have been received. However, the work described in Exhibit B may be undertaken prior to the full funding of the Project, provided all other necessary regulatory approvals have been received and PORT demonstrates to the reasonable satisfaction of JPB that PORT has sufficient financial ability to complete the work described in Exhibit B. The JPB may revoke its commitment of the Title 23 Funds to the Project at any time within 12 months prior to the expiration of JPB's entitlement to said funds if PORT has not obtained commitments for full funding of the Project by that date.

2. Design. The designs for any improvements to be located on JPB right of way, including without limit, the Gauntlet Track, shall be subject to the approval of the JPB for the limited purpose of assuring such design complies with JPB's Track Specifications and Design Guidelines (TSDG), and is not inconsistent with JPB's future improvement of the right of way, including, without limit, providing for electrification thereof. JPB's approval of the foregoing shall not be unreasonably withheld.

In addition to compliance with the JPB's specifications and design guidelines the PORT shall use current available design and technology to ensure that the Project improvements specifically located between the northern end of tunnel 3 and the south end of

tunnel 4 do not interfere with the JPB's proposed future electrification. JPB's approval of the design shall constitute acceptance that the design is compatible for electrification. A cross-section of the gauntlet track and a description of the location of the tunnels are attached hereto as Exhibits C and D respectively.

Other than PORT improvements located between the northern end of tunnel 3 and the south end of tunnel 4, the PORT shall not be responsible for any design or construction costs in connection with any future modifications on JPB's right of way, including but not limited to the accommodation for electrification.

JPB's limited approval of the design shall not constitute an independent review by the JPB as to the legal adequacy of the design or specifications of the Project or any component of it, or lead to an assumption of design responsibility on behalf of the JPB.

3. Construction; Trackage Rights Agreement. PORT shall be solely responsible for construction of the Project. PORT acknowledges and agrees that the Trackage Rights Agreement will govern the construction of any Project improvement covered in the Trackage Rights Agreement, as well as freight operations on the improved right of way, unless a separate agreement is entered into by and among the JPB, PORT and SPT. Among other things, the Trackage Rights Agreement provides that the holder of the Construction Easement shall bear all costs of implementing the improvements specified in Recital B above. All construction

work will conform to JPB's TSDG, including the Operating System Interface (OSI) and will require the preparation of a site-specific work plan. A copy of the TSDG are attached as Exhibit D. The final product will not result in the degradation of JPB's track or signal system.

It is specifically noted that Section 4.3 of the Trackage Rights Agreement provides SPT with defined periods of time when freight service can be operated. This Agreement in no way alters those arrangements.

Prior to beginning any construction work on the Project, PORT shall enter into, or require its contractor to enter into, a right of entry permit with JPB in a form substantially similar to the permit form attached as Exhibit E.

4. Cost Reimbursement. PORT shall reimburse JPB all reasonable and actual costs incurred by the JPB which are attributable to the Project, including, but not limited to, (a) engineering, administrative and legal review by JPB staff and consultants, (b) flagging and engineering inspection costs incurred by JPB's operator, National Railroad Passenger Corporation, or its successor, and (c) traffic delay costs such as marketing expenses, substitute bus service and the cost of any dispatching or other personnel, but excluding lost ridership, if any. After the construction work is completed, future maintenance and capital expenditures on JPB property between Quint Street, San Francisco and Brisbane will be allocated in accordance with the terms of the Trackage Rights Agreement.

Under the terms of the Trackage Rights Agreement, all main track facilities including track structures, bridges, tunnels, roadbeds and signals are "joint facilities" in which SPT and JPB share expenses in accordance with a formula known as the Speed Factored Gross Ton Formula (SFGTS). All other trackage between Quint Street and Brisbane which is not main track and is on JPB's land is "Exclusive Freight" Track which SPT pays all maintenance and capital expenditures. The "exclusive freight track" includes all spur, lead and drill tracks and will include the Gauntlet Track and Bayshore Storage Tracks after they are constructed.

On a monthly basis, JPB shall submit to PORT a detailed statement of costs and expenses that are to be reimbursed as provided in this Section. PORT shall reimburse JPB the total of all undisputed costs specified in said statement. PORT shall make good faith efforts to reimburse JPB within sixty (60) days of receipt of the statement. JPB shall submit an invoice for all costs for FY 1993-94 within 60 days of the execution of this Agreement. In no event will the PORT's obligation to reimburse JPB's costs and expenses exceed the total amount of $100,000 in any fiscal year without the prior written approval of PORT. However, JPB shall not be obligated to perform services or incur costs to be reimbursed under this section if the PORT has not approved said costs. JPB agrees to provide PORT with 30 days written notice prior to incurring any costs that exceed $100,000 in any fiscal year or that exceed any higher limit approved by PORT.

PORT agrees in a reasonable time to encumber an amount not to exceed $400,000 to provide the maximum amount of payments due for the next four years. PORT will provide JPB with a copy of this Agreement which has been certified by the Controller as to the amount of funds encumbered for this agreement.

This Agreement is subject to the budget and fiscal provisions of the Charter of City. The amount of City's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated herein.

However, nothing in this agreement is intended to abrogate or limit the obligations of the Port to indemnify the JPB, which obligation the Port will be assuming pursuant to the terms of Sections 2 and 7 of this Agreement.

5. Termination.

(a) The PORT may terminate this agreement at any time prior to the release of the Title 23 funds to PORT without cause upon ten days written notice.

(b) Upon receipt of a notice of termination of this Agreement, JPB will within 90 days after said termination prepare a final invoice for all costs reimbursable under this Agreement u to the date of termination. PORT will pay such invoice in Accordance with the terms of Section 4. Upon termination, PORT will not be responsible or obligated to reimburse JPB for any costs beyond the effective date of said termination.

6. Title to Improvements. Title to all improvements comprising the Project that are constructed on JPB property shall be transferred to the JPB upon completion of construction in a form substantially similar to the form attached as Exhibit F.

7. Indemnity and Insurance. The parties agree to negotiate terms regarding indemnity and insurance in the event the Construction Easement is assigned to PORT. The final agreement of parties to such terms will be a prerequisite to any obligation on the part of the JPB to approve the assignment of the Construction Easement.

8. Notices. All notices, payments, requests, demands and other communications to be made or given under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of delivery if delivered personally or if made by telecopy directed to the party to whom notice is to be given at the telecopy number listed below, or (ii) on the second day after mailing if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage prepaid and properly addressed as follows:

PORT:
Executive Director
Port of San Francisco
Ferry Building
San Francisco, CA 94111
Phone No.: (415) 274-0401
Telecopy No.: (415) 274-0528

JPB:
Peninsula Corridor Joint
Powers Board
1250 San Carlos Avenue
San Carlos, CA 94070
Attn: Executive Director
Phone No.: (415) 508-6221
Telecopy No.: (415) 508-6281

9. Governing Law. This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of California as applied to contracts that are made and performed entirely in California.

10. Successors. This Agreement shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto.

11. Amendments. This Agreement may be amended only in a writing that is executed by all the parties hereto.

12. Entire Agreement. The parties intend this Agreement to be an integrated agreement. Therefore, this Agreement constitutes the entire agreement of the parties with respect to its subject matter and supersedes any prior or contemporaneous oral or written understandings on the same subject. It does not, however, supersede the terms of the Trackage Rights Agreement. In the event PORT is assigned rights under the Trackage Rights Agreement, the parties agree to meet and confer regarding the application of the terms of that agreement to the PORT.

13. Audit and Inspection of Records. Each party to this Agreement agrees to maintain and make available to the other party and its authorized representatives during business hours accurate books and accounting records relative to its activities under this Agreement. Each party will permit the other party to audit, examine and make exerpts and transcripts from such books and records, and to make audits of all invoices, materials,

payrolls, records or personnel and other data related to this Agreement, whether funded in whole or in part under this Agreement. Each party shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agencey having an interest in the subject of this Agreement shall have the same rights conferred upon the parties.

14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute a single Agreement.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date first written above with the intent to be intentionally bound.

PORT OF SAN FRANCISCO

By: Dennis P. Bouey
Its: Executive Director

Approved as to Form

Louise H. Renne
City Attorney

By: Deputy City Attorney

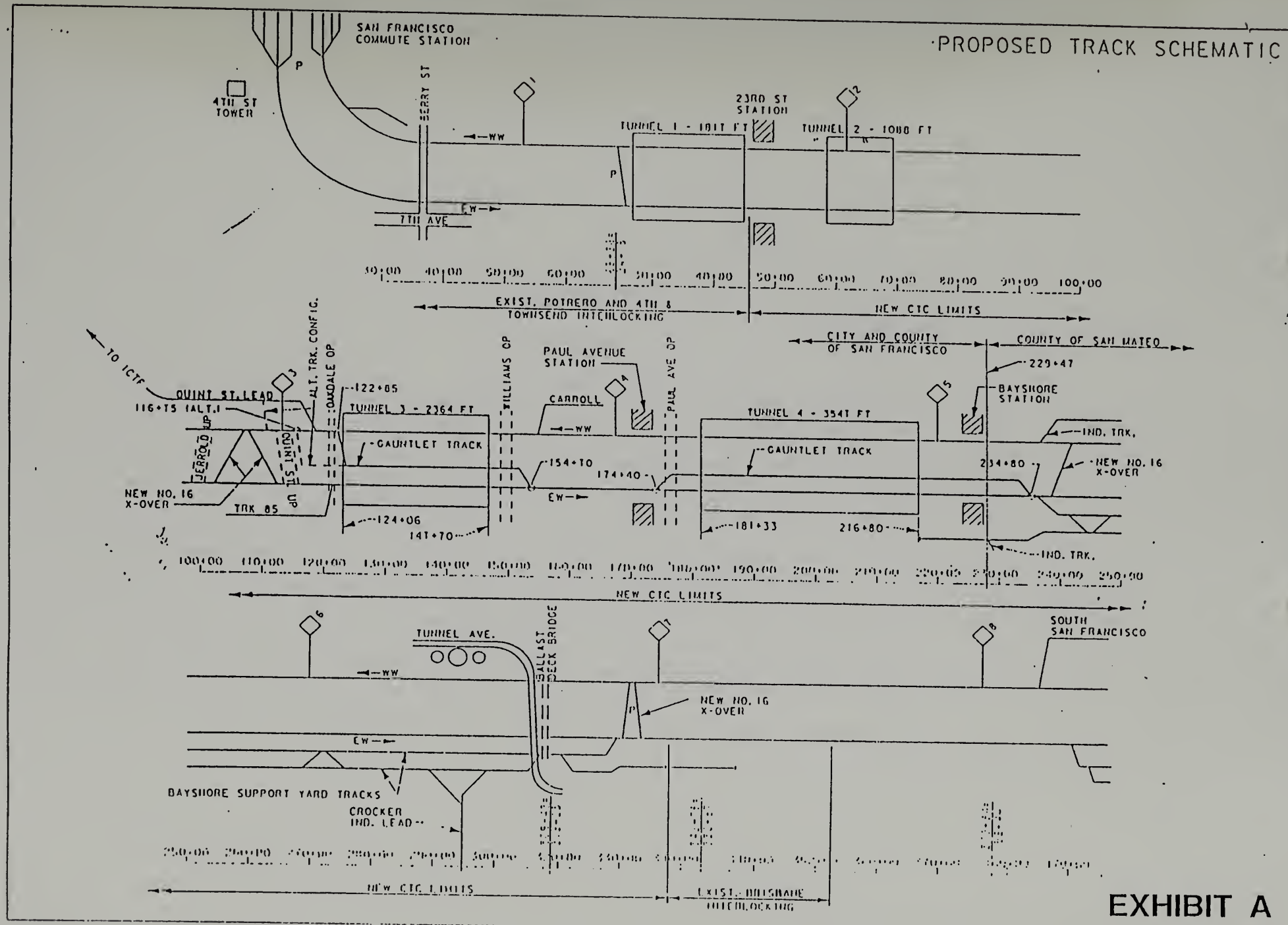
PORT COMMISSION
RESOLUTION NO. _____

PENINSULA CORRIDOR JOINT POWERS BOARD

By:
Its:

Approved as to Form

Attorney for Peninsula Corridor Joint Powers Board


PROPOSED TRACK SCHEMATIC
SAN FRANCISCO COMMUTE STATION
4TH ST TOWER
BERRY ST
7TH AVE
TUNNEL 1 - 1811 FT
TUNNEL 2 - 1088 FT
23RD ST STATION
EXIST. POTRERO AND 4TH & TOWNSEND INTERLOCKING
NEW CTC LIMITS
TO ICTF
QUINT ST. LEAD
ALT. TRK. CONFIG.
OAKDALE OP
WILLIAMS OP
PAUL AVENUE STATION
CARROLL
PAUL AVE OP
TUNNEL 3 - 2364 FT
TUNNEL 4 - 3547 FT
GAUNTLET TRACK
NEW NO. 16 X-OVER
TRK 85
CITY AND COUNTY OF SAN FRANCISCO
COUNTY OF SAN MATEO
BAYSHORE STATION
IND. TRK.
TUNNEL AVE.
BALLAST DECK BRIDGE
SOUTH SAN FRANCISCO
BAYSHORE SUPPORT YARD TRACKS
CROCKER IND. LEAD
EXIST. BRISBANE INTERLOCKING
EXHIBIT A

PROPOSED TRACK SCHEMATIC

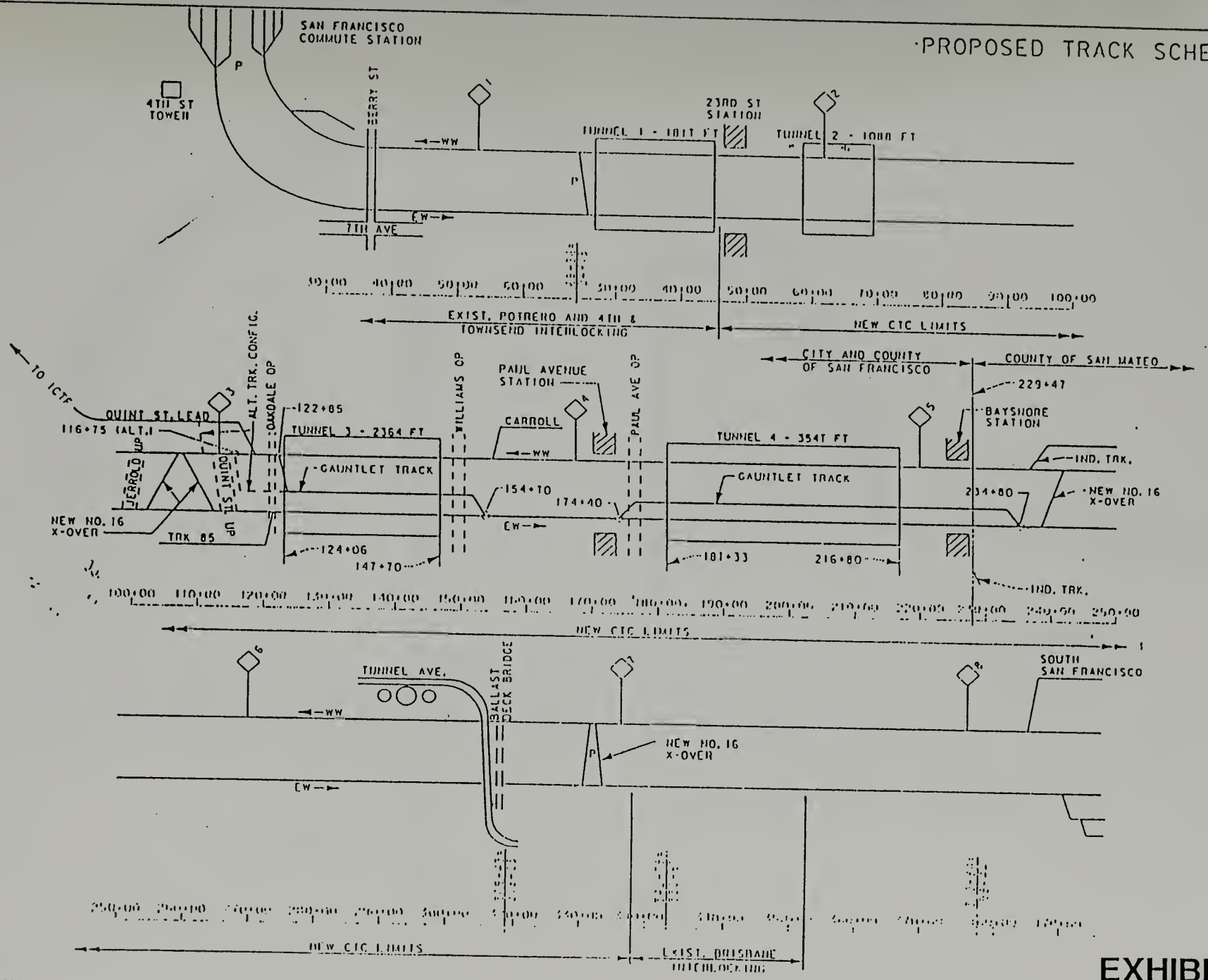


EXHIBIT B

OFFSET GAUNTLET TRACK

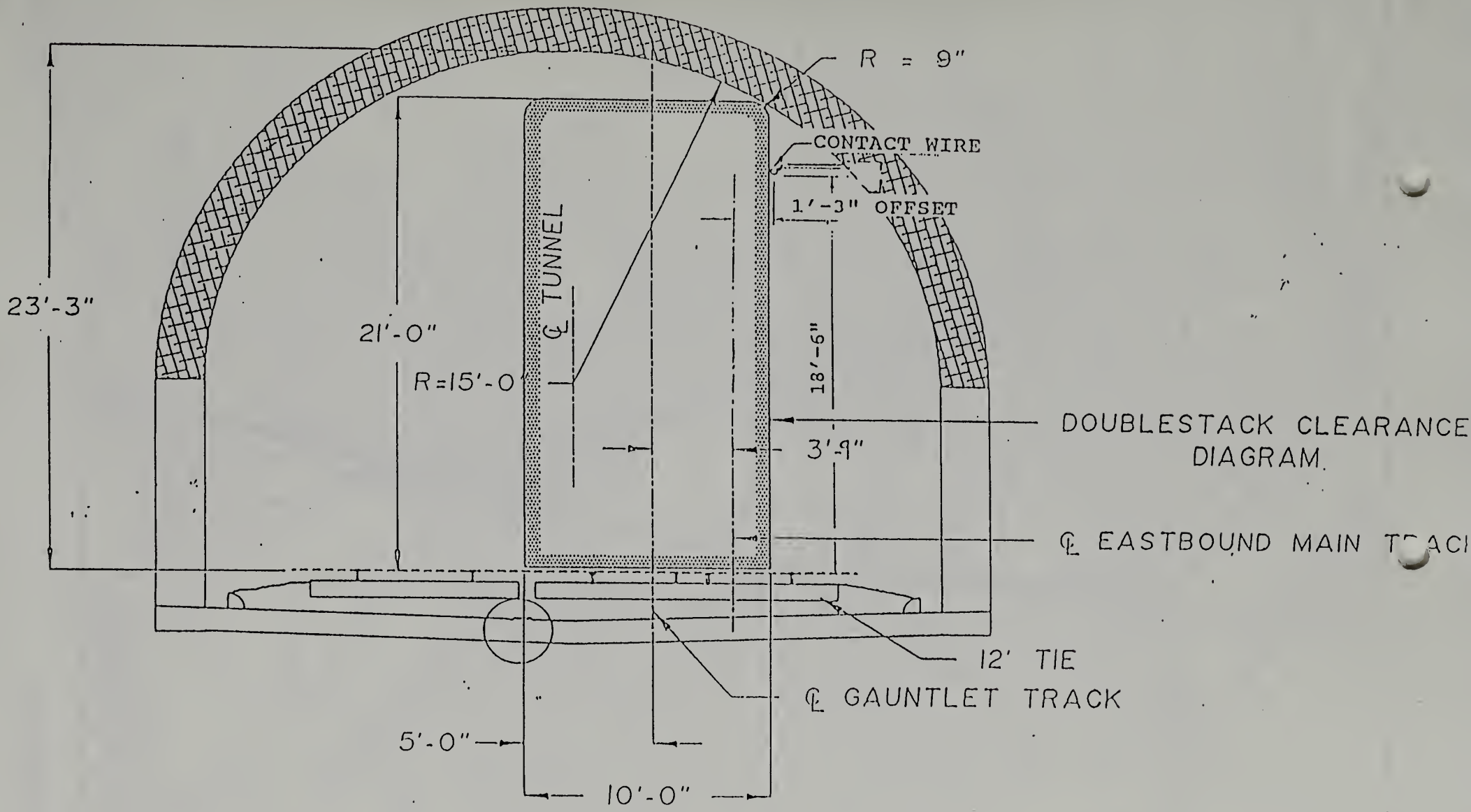
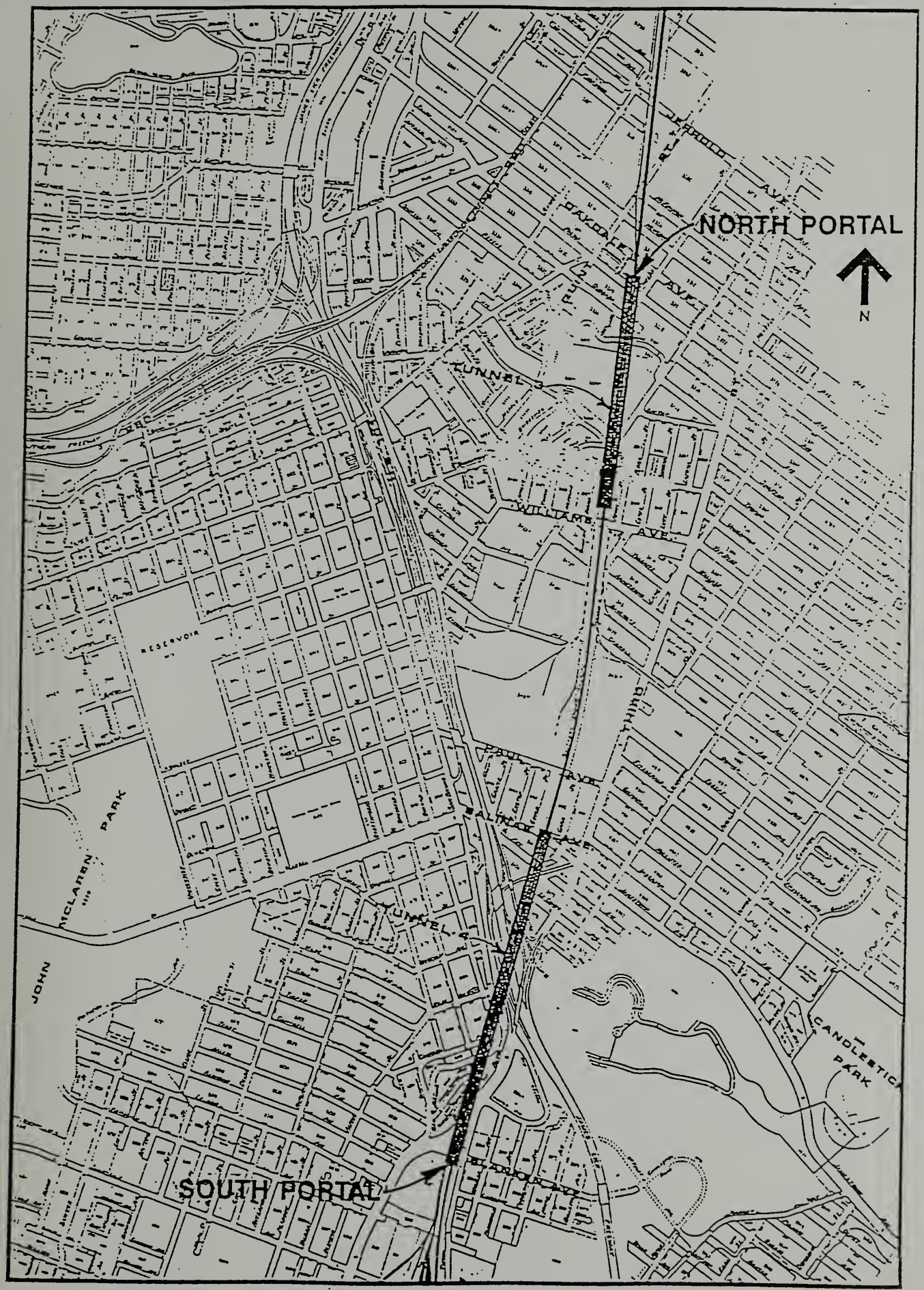


EXHIBIT C



City of San Francisco Location Map Showing Tunnels Three & Four

EXHIBIT D

EXHIBIT E

RIGHT OF ENTRY AGREEMENT

This Right of Entry Agreement ("Agreement") is entered into as of _____, 1994 ("Effective Date"), by and between PENINSULA CORRIDOR JOINT POWERS BOARD, a public district ("JPB") and ("Licensor") and _____ ("Licensee").

R E C I T A L S:

A. Licensor is the owner of that certain real property which is located in the County of San Francisco, State of California, in the vicinity of MP _____ and which is depicted on the attached Exhibit A, which is incorporated by this reference ("Property").

B. Licensee desires to obtain a permit from Licensor for the purposes of constructing a certain improvements to Licensor's tracks and related equipment ("Structure") on the Property on behalf of the San Francisco Port Commission of the City and County of San Francisco. ("Port").

C. Licensor is willing to grant a License to Licensee on the terms and conditions hereinafter set forth for the purposes of performing work on said Structure.

FOR VALUABLE CONSIDERATION, the receipt of which is acknowledged, the parties agree as follows:

1. Grant of License. Licensor grants to Licensee, subject to the conditions and covenants of this Agreement, a revocable license for the purposes of constructing, repairing, maintaining and using the Structure together with necessary rights of ingress and egress over the Property for these purposes in the location described in the attached print of the drawing attached and incorporated as Exhibit B.

2. Nonexclusiveness of License. This license is nonexclusive.

3. Prior Rights. This grant is made subject and subordinate to the prior and continuing right and obligation of Licensor, its successors and assigns, to use all of the property described in this Agreement in the performance of its transportation operations. There is reserved unto Licensor, its successors and assigns, the right to construct, reconstruct, maintain and use existing and future facilities and appurtenances, including, without limitation, existing and future transportation, communication, railroad tracks and pipeline

facilities and appurtenances in, upon, over, under, across and along the Property.

This grant is made subject to all licenses, leases, easements, restrictions, conditions, covenants, encumbrances, liens and claims of title which may affect the Property. The word "grant" shall not be construed as a covenant against the existence of any of these.

4. Term of License. The term of this License shall commence upon the start of Licensors work upon the Structure and shall continue until it is terminated as set forth herein:

(a) Either party may terminate this Agreement by giving thirty (30) calendar days' written notice.

(b) The License shall be deemed terminated upon Licensee's discontinuance of the work on the Structure for one continuous year or abandonment and removal of the Structure. In removing its material from Licensor's Property, Licensee agrees to restore Licensor's Property insofar as is reasonably possible to its condition prior to installation of the Structure.

(c) If Licensee defaults with respect to any covenant or condition of this Agreement and fails to correct the default within thirty (30) days after receipt of notice from Licensor to do so, Licensor may immediately terminate this Agreement by notice to Licensee.

(d) If Port terminates its agreement with Licensor to reimburse Licensor for its costs of providing flagging and engineering inspection services pursuant to Section 6, Licensor may terminate this Agreement by giving forty-eight (48) hours written notice.

Upon termination of the License, Licensee shall, at its own cost and within thirty (30) days after the date of the notice of termination, or within thirty (30) days after the date the license is deemed terminated, remove all tools, material and debris on or under the Property and restore the Property to the condition that it was as of the date this permit was granted. If the Licensee fails to perform such work, Licensor may perform the work, at the expense of the Licensee, which expense Licensee agrees to pay to Licensor upon demand. Licensee's indemnity obligations set forth in Sections 9 and 11 shall survive termination of the License.

5. Lapse of Agreement. The rights granted by this Agreement to Licensee shall lapse and become void if the construction of the work on the Structure is not commenced within one year of the Effective Date.

6. Construction of Structure. Licensee shall bear the entire cost and expense of the work on the Structure upon the Property, unless separate arrangements are made in writing with Licensor. Licensee agrees that all work upon or in connection with the Structure shall be done at such times and in such manner as not to interfere in any way whatsoever with the operations of Licensor. The plans for and the construction of the Structure shall be subject to the approval of Licensor. The improvements to the Structure shall be installed in accordance with the drawing as shown in Exhibit B and in conformance with the Licensor's Track Specifications and Design Guidelines, including the Operating Systems Interface. Approval by Licensor shall not constitute a warranty by Licensor that such plans conform with applicable federal, state, and/or local codes and regulations.

Licensee agrees to give Licensor and the operator of the Peninsula Commute Service ("Operator") five (5) calendar days' written notice prior to commencement of any work on the Structure, except emergency repairs, in which event Licensee shall notify Licensor's authorized representative by telephone. Licensee agrees to keep the Property and the Structure in good and safe condition, free from waste, so far as affected by Licensee's operations, to the reasonable satisfaction of Licensor. If, during the term of this Agreement, Licensee fails to keep the Property and the Structure in good and safe condition, free from waste, then Licensor, may perform the necessary work at the expense of Licensee, which expense Licensee agrees to pay to Licensor upon demand.

All work by Licensee upon the Property shall be performed in a good and workerlike manner satisfactory to Licensor. Since there is the possibility of the existence of pipelines or other structures beneath the Property, if Licensee should excavate or drill, then Licensee's forces shall explore such structures with hand tools to a depth of at least eight feet (8') below the surface of the ground or, at Licensee's option, use suitable detection equipment prior to drilling or excavating with mechanized equipment. Absence of markers does not constitute a warranty by Licensor of no subsurface installations. It shall be Licensee's responsibility to determine the existence of any underground facilities and Licensee shall call Underground Service Alert at 1-800-642-2444 prior to beginning any work on the Property.

Any open holes shall be satisfactorily covered at all times when Licensee's forces are not physically working in the actual vicinity. Upon completion of work, all holes will be filled in to meet the surrounding ground level with clean, compacted, earthen material and the property left in a neat and safe condition reasonably satisfactory to Licensor.

Under no condition shall Licensee be permitted to place or store any mechanized equipment, tools or other materials within ten (ten feet (10') of the center line of Licensor's nearest railroad tracks.

Licensee shall not be permitted to cross Licensor's tracks located on or adjacent to the Property to gain access to and from the Structure. Access shall be by use only of designated public streets or crossings.

With respect to its work on the Structure, unless separate written arrangements are made by the Port with Licensor, Licensee shall fully pay for all materials joined or affixed to the Property, and shall pay in full all persons who perform labor on the Property. As Licensor is a public entity, its property is not subject to mechanics' or materialmen's liens, and nothing in this License shall be construed to make its property subject to such liens. However, if any such liens are filed, Licensee shall immediately remove them at Licensee's own expense, and shall pay any judgment which may be entered. Should Licensee fail, neglect, or refuse so to do, Licensor, after 48 hours prior notice to Licensee, shall have the right to pay any amount required to release any such liens, or to defend any action brought, and to pay any judgment entered. Licensee shall be liable to Licensor for all costs, damages, reasonable attorneys' fees, and any amounts expended in defending any proceedings or in the payment of any of said liens or any judgment. Licensor may post and maintain upon the property notices of nonresponsibility as provided by law.

The presence of an inspector and/or flagger from Licensor may be required when Licensee or any of Licensee's forces or contractors are working. Licensor has made separate arrangements with the Port regarding reimbursement for the services of such inspectors/flaggers. Should Port terminate such arrangements or fail to meet its obligations to reimburse Licensor for its costs of providing flagging and/or engineering inspection services, JPB, at its sole discretion, may either terminate this agreement by giving Licensee forty-eight hours notice or permit Licensee to assume Port's obligations to pay for such services.

Licensee shall cooperate with Licensor in making any tests Licensor requires of any installation or condition which in Licensor's reasonable judgment may have an adverse effect on any of the facilities of Licensor. All costs incurred by the tests, or any corrections, shall be borne by Licensee.

7. Fiber Optics Systems. The rights granted by this Agreement are subject to the rights of Licensor (or anyone acting with the permission of Licensor) to construct, reconstruct, maintain and operate fiber optic and other telecommunications

systems ("systems") in, upon, along, across and beneath the Property and rights-of-ways of Licensor, including the Property through which the Structure shall be constructed.

Licensee agrees to reimburse Licensor and/or the owner of the systems for all expenses which would not have been incurred except by reason of the use of the Property by Licensee, its agents, employees or invitees, including relocation costs or any damages incurred by such owner due to injury to the systems.

In addition to other provisions of this Agreement requiring Licensee to give notice prior to commencing work, Licensee shall telephone Underground Service Alert at 1-800-642-2444 (a 24-hour number) to determine if a telecommunications system is buried anywhere on or about the premises defined or included in this Agreement. If there is, Licensee will telephone the owner of the system designated by Licensor, arrange for a cable locator and make arrangements for relocation or other protection for the system prior to beginning any work on the Property.

8. Project Markers. Project markers in a form and size satisfactory to Licensor, identifying the facility and its owner, shall be installed and constantly maintained by and at the expense of Licensee at Licensor's property lines or such locations as Licensor shall approve. Such markers shall be relocated or removed upon request of Licensor without expense to Licensor. The absence of markers does not constitute a warranty by Licensor that there are no subsurface installations.

9. Hazardous Materials. No hazardous materials shall be handled at any time upon the Property. In the event of leakage or spillage from the Structure or any vehicle in the control or custody of Licensee or any contractor or agent for Licensee, Licensee shall, at its own expense, promptly clean Licensor's Property to the satisfaction of Licensor, the Environmental Protection Agency and any public body having jurisdiction in the matter. Any expense of required compliance with federal, state or local environmental regulations incurred by Licensor or Licensee shall be borne by Licensee, including any fines and judgments levied against Licensor or its Property.

Licensee shall indemnify, hold harmless and defend (with counsel reasonably satisfactory to Licensor) Licensor, its directors, officers, employees and agents, against all liability, cost and expenses (including, without limitation, any fines, penalties, judgments, litigation costs, attorneys' fees and consulting, engineering and construction costs) incurred by Licensor as a result of Licensee's breach of this section or as a result of any such discharge, leakage, spillage, emission or pollution, regardless of whether such liability, cost or expense arises during or after the term of the license.

10. Assumption of Risk. Licensee shall assume all risk of damage to the Structure and appurtenances and to any other property of Licensee, or any property under the control or custody of Licensee while upon or near the Property of Licensor incident to the construction or maintenance of the Structure, caused by or contributed to in any way by the construction, operation, maintenance or presence of Licensor's operations at the Property; provided, however, such assumption by Licensee shall not include any damage caused by the active negligence and/or wilful misconduct of Licensor, its agents or employees.

11. Indemnity. Licensee shall release, defend (with counsel reasonably satisfactory to Licensor) and indemnify Licensor, the City and County of San Francisco, the Santa Clara County Transit District and the San Mateo County Transit District, the successors and assigns of any of them, the Southern Pacific Transportation Company, and the National Railroad Passenger Corporation ("Amtrak"), all of their respective officers, directors, employees and agents (all of the above hereinafter collectively known as "Indemnitees"), from and against all liability, cost, and expense for loss of or damage to property and for injuries to or death of any person (including, but not limited to, the property and employees of each party) when arising or resulting from the use of the Property by Licensee, its agents, employees, contractors, subcontractors, or invitees or Licensee's breach of these provisions. The duty of Licensee to indemnify and save harmless includes the duties to defend as set forth in Section 2778 of the Civil Code. It is the express intent of the parties that Licensee will indemnify and hold harmless Indemnitees from any and all claims, suits or actions arising from any cause whatsoever as set forth above regardless of the existence or degree of fault or negligence on the part of Licensor, Licensee, or any subcontractor or employee of any of these, other than the gross negligence, wilful misconduct or criminal acts of the Licensor, its directors, officers, employees and agents. Licensee waives any and all rights to any type of express or implied indemnity against Licensor, its directors, officers or employees. This indemnity shall survive termination of this Agreement.

12. Insurance. Any person, firm or corporation Licensee authorizes to work upon the Premises, including any subcontractor, shall be deemed to be Licensee's agent and shall be subject to all the applicable terms of this License. Prior to entry upon the Right of Way by such agents, Licensee shall provide JPB with satisfactory evidence (e.g. in the form of a Certificate of Insurance) that it and its contractors or other agents who will obtain access to the Right of Way pursuant to this License are insured in accordance with the following, which insurance shall remain in effect throughout the term of this License and shall be at the sole cost and expense of Licensee (or its agents). Prior to the start of the Work or entry onto the

Property or the Right of Way, Licensee agrees to procure and maintain, and to require its contractor(s) to procure and maintain, at its (or its contractors') sole cost and expense (and to prove to JPB's reasonable satisfaction that it remains in effect throughout the Work), the kinds of insurance described below:

(a) Workers' Compensation and Employers' Liability Insurance.

Licensee shall secure the payment of Workers' Compensation and/or Federal Employers' Liability Act Coverage (FELA) (whichever is applicable) to its employees, as required by the Federal Employers' Liability Act of 1908 applying to instate railroad employees or as required by Section 1860 of the California Labor Code (Chapter 1000, Statutes of 1965), or any subsequent amendments or successor acts thereto governing the liability of employers to their employees.

If Workers' Compensation applies, it shall be in accordance with the provisions of Section 3700 of the California Labor Code (and any amendments thereto or successor acts or statutes) and the Licensee shall furnish Licensor with a certificate evidencing such coverage together with a verification thereon as follows:

> "I am aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against a liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of work under this Agreement."

If the California Labor Code requiring Workers' Compensation applies, the Licensee shall also maintain Employer's Liability coverage with minimum limits of $10 Million.

If FELA applies, it shall be in accordance with federal statutes and have minimum limits of $10,000,000 per occurrence. The Licensee shall provide evidence of coverage or self-insurance together with a verification thereon as follows:

> "I am aware of the provisions of the Federal Employers' Liability Act, and I will comply with such provisions before commencing the performance of work under this Agreement."

Whether FELA or Workers' Compensation applies, the Licensee shall furnish the JPB with the Certificate(s) of Insurance required hereunder prior to the commencement of work. The Certificate shall also provide that the Licensee's policy will not be cancelled or have coverage reduced without thirty (30) days' prior written notice.

(b) Commercial General Liability Insurance.

Licensee shall, at its own cost and expense, also procure and maintain Commercial General Liability insurance which shall include as additional insureds the Peninsula Corridor Joint Powers Board, the City and County of San Francisco, the Santa Clara County Transit District, the San Mateo County Transit District, the Southern Pacific Transportation Company, the National Railroad Passenger Corporation ("Amtrak") and their respective directors, officers, employees and agents while acting in such capacity, and their successors or assignees, as they now, or as they may hereafter be constituted, singly, jointly or severally.

Insurance shall provide bodily injury and property damage coverage with a combined single limit of at least $10 Million each occurrence or claim and a general aggregate limit of at least $10 Million. This insurance shall include but not be limited to premises and operations; contractual liability covering the indemnity provisions contained in this Agreement; personal injury; explosion, collapse, and underground coverage, products and completed operations, and broad form property damage.

Prior to commencing work or entering onto the Property, Licensee shall file a Certificate(s) of Insurance with the Assistant to the Executive Director of the JPB evidencing coverage, and upon request, a certified duplicate original of the policy. Said Certificate(s) shall stipulate:

(1) The insurance company(ies) issuing such policy(ies) shall give written notice to the Assistant to the Executive Director of the JPB of any material alteration, or reduction in aggregate limits, if such limits apply, and provide at least thirty (30) days' notice of cancellation.

(2) That the policy(ies) is Primary Insurance and the insurance company(ies) providing such policy(ies) shall be liable thereunder for the full amount of any loss or claim which Licensee is liable for under this Section, up to and including the total limit of liability, without right of contribution from any other insurance effected or which may be effected by the Peninsula Corridor Joint Powers Board, the City and County of San Francisco, the Santa Clara County Transit District, the San Mateo

County Transit District, the Southern Pacific Transportation Company, and the National Railroad Passenger Corporation ("Amtrak").

(3) The policy shall also stipulate: Inclusion of the Peninsula Corridor Joint Powers Board, the City and County of San Francisco, the Santa Clara County Transit District, the San Mateo County Transit District, the Southern Pacific Transportation Company, and the National Railroad Passenger Corporation ("Amtrak") as additional insureds shall not in any way affect its rights either as respects any claim, demand, suit or judgment made, brought or recovered against the Licensee. Said policy shall protect Licensee and the Peninsula Corridor Joint Powers Board, the City and County of San Francisco, the Santa Clara Transit District, the San Mateo County Transit District, the Southern Pacific Transportation Company, and the National Railroad Passenger Corporation ("Amtrak") in the same manner as though a separate policy had been issued to each, but nothing in said policy shall operate to increase the insurance company's liability as set forth in its policy beyond the amount or amounts shown or to which the insurance company would have been liable if only one interest had been named as an insured.

Required: Yes X No __

(c) Railroad's Protective Liability Insurance.

The Licensee shall provide, with respect to the operations it or any of its subcontractors perform above the railroad tracks or within fifty (50) feet horizontally of the railroad tracks, Railroad's Protective Liability Insurance with either the AASHO policy form or the ISO/RIMA form with pollution coverage for job site fuels and lubricants. The named insured shall be the Peninsula Corridor Joint Powers Board, the San Mateo County Transit District, the Santa Clara County Transit District, the City and County of San Francisco, the Southern Pacific Transportation Company, and the National Railroad Passenger Corporation ("Amtrak") and shall cover all other railroads operating on the right-of-way. The policy shall have limits of liability of not less than $ 10 million per occurrence, combined single limit, for Coverages A and B, for losses arising out of injury to or death of all persons, and for physical loss or damage to or destruction of property, including the loss of use thereof. A $10 million annual aggregate may apply. Prior to commencing work or entering onto the Property, Licensee shall file the original of the policy for Railroad Protective Liability with the Assistant to the Executive Director of the JPB.

Required: Yes __ No X

(d) Professional Liability Insurance.

The Licensee shall, at its own cost and expense, procure and maintain a professional liability policy covering the Licensee for any and all errors or omissions committed by the Licensee, his agents or employees, in the performance of this

contract. The coverage shall be maintained during the term of this contract and for at least ____ ( ) years following completion of all operations to be performed. The policy, or policies, shall have limits of liability of not less than $2 million per occurrence and in the aggregate.

Required:
Yes_X_ No__

(e) Automobile Liability Insurance.

Licensee shall, at its own cost and expense, procure and maintain Automobile Liability insurance providing bodily injury and property damage with a combined single limit of at least $10 million per occurrence for all owned, non-owned and hired automobiles. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance. Such insurance shall include as additional insureds the Peninsula Corridor Joint Powers Board, the City and County of San Francisco, the Santa Clara County Transit District, the San Mateo County Transit District, the Southern Pacific Transportation Company, the National Railroad Passenger Corporation ("Amtrak") and their respective directors, officers, employees and agents while acting in such capacity, and their successors or assignees, as they now or as they may hereafter be constituted, singly, jointly or severally.

Required:
Yes__ No_X_

(f) Environmental Impairment Liability Insurance.

The Licensee shall, at its own cost and expense, procure and maintain a professional liability policy covering the liability of the Licensee arising out of the pollution or impairment of the environment, including clean-up costs, caused by the performance of activity in connection with this Agreement. The Peninsula Joint Powers Board, the City and County of San Francisco, the Santa Clara County Transit District, the San Mateo County Transit District, the Southern Pacific Transportation Company, and the National Railroad Passenger Corporation ("Amtrak"), their respective directors, officers, employees and agents shall be named as additional insureds with respect to operations to be performed, and the policy shall contain a waiver of subrogation against all additional insureds and their directors, employees and agents. Coverage may be by endorsement to the general liability and automobile policies or be a separate policy. Limits of liability will not be less than the limits required for General Liability Insurance above. The automobile coverage shall contain the MCS90 endorsement and the ISO pollution endorsement which includes coverage for loading and unloading. If coverage is by endorsement, the certificates of insurance submitted must clearly indicate that these coverages are combined.

In the event of disposal of hazardous materials, Licensee shall designate the disposal site, and must provide a

Certificate of Insurance from the disposal facility to the Assistant to the Executive Director of the JPB. Coverage must include Environmental Impairment Liability Insurance with limits of not less than $3 million per occurrence and $6 million annual aggregate, including sudden and accidental pollution coverage.

Required:
Yes_X_ No__

(g) Property Insurance.

Licensee shall, at its own cost and expense, procure and maintain property insurance to protect its interest in the equipment to be used in performance of this Agreement and the JPB's interest in materials or property to be installed, covering all risks of physical loss or damage to such equipment. The coverage under such policy shall have limits of liability adequate to protect the value of the equipment and property to be installed. If desired, Licensee may choose to self-insure this exposure, but in no instance shall the JPB be responsible for such loss or damage, unless caused by its sole negligence.

All insurance specified above shall remain in force until all work to be performed is satisfactorily completed, all of Licensee's personnel and equipment have been removed from the railroad property, and the work has been formally accepted. The failure to procure or maintain required insurance and/or an adequately funded self-insurance program will constitute a material breach of this Agreement.

If any insurance specified above shall be provided on a claim-made basis, then in addition to coverage requirements above, such policy shall provide that:

(a) Policy retroactive date coincides with or precedes the Licensee's start of work (including subsequent policies purchased as renewals or replacements).

(b) Licensee will make every effort to maintain similar insurance for at least 3 years following project completion, including the requirement of adding all additional insureds.

(c) If insurance is terminated for any reason, Licensee agrees to purchase an extended reporting provision of at least two years to report claims arising from work performed in connection with this Agreement or Permit.

(d) Policy allows for reporting of circumstances or incidents that might give rise to future claims.

In addition to the requirements described above, any additional coverages required by the United States Department of Transportation, the Environmental Protection Agency and/or related state and local laws, rules and regulations shall be

complied with. The Licensee and/or its contractors shall obtain all permits, licenses and other forms or documentation which are required and forward them to the Assistant to the Executive Director of the JPB with the required evidence of insurance.

All policies will be issued by insurers acceptable to the JPB. Upon evidence of financial capacity satisfactory to Licensor, Licensee's obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance.

13. Compliance with Laws. Licensee shall comply, at Licensee's expense, with all applicable laws, regulations, rules and orders with respect to the use of the property, regardless of when they become or became effective, including, without limitation, those relating to construction, grading, signage, health, safety, noise, environmental protection, hazardous materials, waste disposal and water and air quality, and furnish satisfactory evidence of such compliance upon request of Licensor. Licensee shall also obtain, at Licensee's expense, any and all permits required for construction and operation of the Structure.

14. Notices. All notices required or permitted to be given under this Agreement shall be in writing and mailed postage prepaid by certified or registered mail, return receipt requested, or by personal delivery or by overnight courier, to the appropriate address indicated below or at such other place or places as either Licensor or Licensee may, from time to time, respectively, designate in a written notice given to the other. Notices shall be deemed sufficiently served four (4) days after the date of mailing or upon personal delivery.

To Licensee: _____
_____
_____
_____
_____

Attn: _____

To Licensors: Peninsula Corridor Joint
Powers Board
San Mateo County Transit District
1250 San Carlos Avenue
P.O. Box 3006
San Carlos, CA 94070-1306
Attn: Executive Director/
General Manager

With a copy to: Hanson, Bridgett, Marcus,
Vlahos & Rudy
333 Market Street, Suite 2300
San Francisco, CA 94105-2173
Attn: David J. Miller, Esq.

To Amtrak: National Railroad Passenger Corp.
510 W. San Fernando Street
San Jose, CA 95110
Attn: David Hadley
Tel: (408) 271-3555
Fax: (408) 271-3588

15. Successors and Assigns. Licensee shall not assign nor sublet, in whole or in part, any rights covered by this Agreement, or permit any other person, firm or corporation to use, in whole or in part, any of the rights or privileges granted pursuant to this Agreement, without first obtaining the written consent of the Licensor.

16. No Waiver. No waiver of any default or breach of any covenant of this Agreement by either party shall be implied from any omission by either party to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver, and then the waiver shall be operative only for the time and to the extent stated. Waivers of any covenant, term or condition by either party shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by either party to or of any act by either party requiring further consent or approval shall not be deemed to waive or render unnecessary their consent or approval to or of any subsequent similar acts.

17. Severability. Each provision of this Agreement is intended to be severable. If any term of provision shall be determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such provision shall be severed from this Agreement and shall not affect the validity of the remainder of this Agreement.

18. Attorneys' Fees. If any legal proceeding should be instituted by either of the parties to enforce the terms of this Agreement or to determine the rights of the parties under this Agreement, the prevailing party in the proceeding shall receive, in addition to all court costs, reasonable attorneys' fees.

19. Condemnation. In the event all or any portion of the license is condemned for public use, Licensee shall receive compensation only in the amount awarded for the taking and damaging of Licensee's facilites regarding the Structure. Any

compensation for damages for taking the Property or Licensee's license interest thereon awarded to Licensee shall be assigned to Licensor.

20. Costs and License Fees. In addition, Licensee shall pay an annual license fee of $__0____ per year due and payable on January 1 of each calendar year. The annual license fee shall increase on January 1 of each year based upon the increase in the Consumer Price Index for the San Francisco-Oakland-San Jose Area. Licensee shall pay the prorated amount of $___0___ for that portion of the calendar year 1993 remaining.

21. Condition to Effectiveness. As a condition precedent to the effectiveness of this Agreement, Licensor shall have paid the permit fee.

22. Governing Law. The rights and liability of the parties under this Agreement shall be interpreted in accordance with the laws of the State of California.

23. Integration. This Agreement constitutes the complete expression of the agreement between the parties and supersedes any prior agreements, whether written or oral, concerning the subject of this Agreement, which are not fully expressed in this Agreement. Any modification of or addition to this Agreement must be in a writing signed by both parties.

IN WITNESS WHEREOF, the parties have executed this License as of the day and year first above written by their duly authorized representatives.

PENINSULA CORRIDOR
JOINT POWERS BOARD

_____

By:_____

Title:_____

ATTEST:

_____

By:_____

Title:_____

ATTEST:

_____

APPROVED AS TO FORM:

_____
Attorney

EXHIBIT F

BILL OF SALE AND ASSIGNMENT

This Bill of Sale and Assignment (this "Assignment"), is made and entered into as of this _____ day of _____, 1994, by and between the City and County of San Francisco acting by and through the San Francisco Port Commission (the "Transferor") and the Peninsula Corridor Joint Powers Board, a joint powers agency organized under the laws of the State of California (the "Transferee").

WITNESSETH

WHEREAS, the Transferor and Transferee are parties to that certain Tunnel Project Memorandum dated as of _____ (the "Memorandum") which provides for the transfer to the Transferee of the equipment described in Attachment I hereto (the "Equipment"); and

WHEREAS, pursuant to the Memorandum the Transferee has agreed to take title to the Equipment.

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the parties hereto agree as follows:

1. Bill of Sale

(a) The Transferor hereby sells, assigns, and transfers to the Transferee all rights, title and interest in and to all of the Equipment described in Attachment I.

(b) The Transferor warrants that it is the lawful owner of the described equipment, free of the rightful claims of others, and will defend Transferee's interest to the Equipment described in Attachment I against all persons.

IN WITNESS WHEREOF, the parties have caused this Assignment to be duly executed as of the day and year first written above.

PORT OF SAN FRANCISCO	PENINSULA CORRIDOR JOINT POWERS BOARD
By:_____	By:_____
Title:_____	Title:_____

Approved as to Form:

Louise H. Renne
City Attorney

_____
By: Deputy City Attorney

Approved as to Form:

_____
Attorney for Peninsula
Corridor Joint Powers
Board

153675.1

ATTACHMENT I

153675.1

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 3/04/94
Agenda Item: 6A
Resolution No. 94-28

SUBJECT: Authorization to Award Contract No. 2593, Pier 45, Earthquake Repair Project, Pier and Buildings Repair Phase III Project

Submitted By: Cliff Jarrard, Chief Harbor Engineer

AGENDA CLASSIFICATION

_____ Executive	_____ Planning and Community Affairs
_____ Cargo Services	_____ Internal Services
_____ Tenant Services	_____ Legal
XX Engineering	_____ Other

BACKGROUND

Resolution No. 93-141, approved by the Port Commission on October 27, 1993 authorized staff to advertise for bids for the third and final phase of earthquake repair work on Pier 45. On January 25, 1994, nine bids were received. The bids ranged from $8,579,420 to $10,956,998, as shown on the following results of bid opening. All bids were less than the Engineer's estimate of $12,435,500.

(Continued on next page)

RECOMMENDATION:

Staff recommends that the Port Commission approve the withdrawal of the bid and bid bond of Homer J. Olsen, Inc., authorize the award of Contract No. 2593 to Dan Caputo Company if they are determined to be the lowest responsive bidder, at a cost not to exceed $9,398,205 and further authorize the availability of an amount equal to 3% of the contract award to cover possible contract modifications as a result of change orders.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	____ Motion	Date: _____
	XX Resolution	Approved: _____
	____ Ordinance	Disapproved: _____
_____	____ Information Only	Continued: _____

_____
SECRETARY

The order of bids by cost is as follows:

BIDDER	LOCATION	BID
Homer J. Olson	Union City	$8,579,420
Arntz Construction	Novato	$9,383,027
Dan Caputo	San Jose	$9,398,205
S. J. Amaroso	Foster City	$9,413,533
Barnes Construction	San Francisco	$9,778,440
Valentine Construction	San Rafael	$10,409,270
Roebblen	El Dorado Hills	$10,714,890
Nibbi Brothers	San Francisco	$10,933,715
Swinerton & Walberg	San Francisco	$10,956,998

The lowest bidder, Homer. J. Olsen, Inc. submitted a request to withdraw their bid and bid bond because of arithmetical errors which resulted in their bid being materially different from that intended. They presented documentation which substantiated their claim that errors were made.

In addition, several bid protests were filed with the protestors claiming that the protested contractors had not met the MBE/WBE goals and had not satisfied the good faith effort requirements in the bid specifications.

The City Attorney's Office and HRC reviewed the bid proposals of the next lowest bidders, the protests filed, and responses of the bidders to the protests. This review concluded that the second low bidder, Arntz Construction, was ineligible for the award due to their failure to meet HRC requirements. The next lowest bidder, Dan Caputo Company, met all requirements and all issues raised in protests filed against them were determined by the City Attorney's Office & HRC to be without merit.

On February 22, 1994, staff requested the Commission's authorization to award the contract to Dan Caputo at a cost of $9,398,205. Arntz Construction requested the Port Commission continue the item in order to afford them opportunity to request a hearing with the HRC to dispute HRC's findings that Arntz

Constuction failed to meet good faith effort requirements. The City Attorney's Office informed the Port Commission that all due process rights had been afforded. The Port Commission agreed to hold over the award of this contract to the next Commission meeting.

Available funding for this contract is as follows:

FUNDS REQUIRED	
Bid of Dan Caputo Company	$ 9,398,205
3% Contingency	281,946
TOTAL	9,680,151
FUNDS AVAILABLE	
FEMA/OES Approved DSR's	$ 4,466,034
EDA	1,953,875
State Grant	1,958,875
Port (Interim Funding)*	1,152,156
Port Funded Contingency	149,211
TOTAL:	$ 9,680,151

* Staff believes these costs are FEMA eligible and will request supplemental DSR's

Staff will immediately submit requests for supplemental DSR's to cover the additional costs of FEMA eligible work as reflected in this bid. The Port has a total of $4.4 million set aside as part of its earthquake Supplemental Appropriation to fund both the Port's participation in the project and interim funding prior to the issuance of supplemental DSR's.

Staff further requests that an allowance of 3% of the bid amount be approved by the Port Commission to fund any change orders which may occur during the performance of this contract. Supplemental requests will be made to FEMA for any such change orders which are part of FEMA eligible work or which involve the repair of earthquake damage discovered during construction.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-28

WHEREAS, the Port Commission directed staff to solicit bids on Contract No. 2593, Pier and Buildings Repair which is Phase III of the Pier 45 earthquake repair project; and

WHEREAS, bids were received and opened on January 25, 1994; and

WHEREAS, the lowest bidder, Homer J. Olsen Inc, requested their bid and bid bond be withdrawn due to arithmetical errors, and staff substantiated this contractor's claim that errors were made; and

WHEREAS, the San Francisco Human Rights Commission and the office of City Attorney have reviewed the next lower bids and determined that the second low bidder, Arntz Construction, was non-responsive and the third low bidder, Dan Caputo Company, was the lowest responsive bid; and

WHEREAS, sufficient funding for this contract will be provided by FEMA, the State of California Office of Emergency Services, the U.S. Department of Commerce (EDA), the State of California Trade and Commerce Agency, and the Port's earthquake Supplemental Appropriation; therefore

BE IT RESOLVED, that the San Francisco Port Commission hereby approves the withdrawal of bid and bid bond of Homer J. Olsen, Inc, rejects the bid of Arntz Construction and approves award of Contract No. 2593, "Pier and Building Repair (Phase III of the Pier 45 Earthquake repair Project)", to Dan Caputo Company for $9,398,205, and a contingency amount equal to 3% of this bid to fund possible changes during the contract.

I HEREBY CERTIFY that the following resolution was adopted by the Port Commission at it's meeting of March 4, 1994.

_____
SECRETARY

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

SUBJECT: Authorization to reject all proposals for technical design of the Pier 98 Wetlands and Open Space project and readvertise at a later date, pursuant to Section VIII of the Request for Proposals.

MEETING DATE: March 4,1994
AGENDA ITEM: 7A
RES.: 94 - 46

SUBMITTED BY: Sharon Lee Polledri, Director
Planning, Development & Community Affairs

AGENDA CLASSIFICATION

___ Executive	___ Internal Services
___ Cargo Services	___ Legal Services
___ Engineering	___ Tenant Services
X Planning, Development & Community Affairs	___ Others

BACKGROUND:
On October 27, 1993, in Resolution No. 93-143, the Port Commission authorized Port staff to issue a Request for Proposals for technical design services for the Pier 98 Wetlands and Open Space project and enter into negotiations with the highest ranked consultant identified through the selection process.

Port staff proceeded to advertise, receive proposals, hold selection interviews, and enter into contract negotiations with the highest ranked proposer.

Port staff recommends that, pursuant to the terms of the Request for Proposals, Section VIII, the Port Commission exercise its authority to reject all proposals and readvertise the Request for Proposals.

RECOMMENDATION:
Port staff recommends approval of the attached resolution.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	___ Motion	Date: _____
	XX Resolution	Approved: _____
	___ Ordinance	Disapproved: _____
	___ Information Only	Continued: _____

_____
Commission Secretary

SLP/fj/I:RejectBi

CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94 - 46

WHEREAS, on October 27, 1993, in Resolution No. 93-143, the Port Commission authorized Port staff to issue a Request for Proposals for technical design of the Pier 98 Wetlands and Open Space project and enter into negotiations with the highest ranked consultant identified through the selection process; and

WHEREAS, pursuant to Section VIII of the Request for Proposals the Commission has the authority to reject all proposals that were received for this work; now, therefore

BE IT RESOLVED, that the San Francisco Port Commission hereby:

1. Rejects all proposals received concerning technical design of the Pier 98 Wetlands and Open Space project; and

2. Authorizes the advertising of a Request for Proposals at a later date for technical design of the Pier 98 Wetlands and Open Space project.

I HEREBY CERTIFY that the following resolution was adopted by the Port Commission at its meeting of March 8, 1994.

_____

Commission Secretary

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

Meeting Date: 3/4/94
Agenda Item: 9A
Resolution. No. 94-44

SUBJECT: Contract 2584, "Various Locations, Miscellaneous Earthquake Repairs"

SUBMITTED BY: Cliff Jarrard, Chief Harbor Engineer

AGENDA CLASSIFICATION

___	Executive	___	Planning and Community Affairs
___	Cargo Services	___	Internal
___	Tenant Services	___	Legal
xx	Engineering	___	Other

BACKGROUND

Resolution No. 93-91 approved by the Port Commission on July 28, 1993, authorized the award of Contract 2584 - Various Locations, Miscellaneous Earthquake Repairs to Frederick Meiswinkel, Inc. at a total cost of $107,547.94.

Construction included repairing cracked stucco at the exterior of various Port bulkhead buildings including Piers 1, 1-1/2, 3, 5, 9, 15, 19, 23, 29, 31, 33 and 35; repair of the cracked concrete exterior walls at Pier 48 Sheds A and B; and some interior plaster repair at Pier 35. All work is completely funded by FEMA/OES.

(Continued on next page)

RECOMMENDATION

Staff recommends that the Commission approves Contract Modification No. 3 to Contract 2584 with Frederick Meiswinkel, Inc. for $3,816.90.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
	____ Motion	Date: _____
	xx Resolution	Approved: _____
	____ Ordinance	Disapproved: _____
	____ Information Only	Continued: _____

_____
SECRETARY

As additional damage was discovered, Verification of Additional Damage (VAD) reports were prepared and approved by FEMA/OES and Contract Modifications Nos. 1 and 2 were issued. Further damages of $3,816.90 have been discovered and VAD reports prepared and approved by FEMA/OES. Staff is ready to issue a contract modification for this additional work.

Original Contract Amount:	$107,547.94
Modification No. 1:	23,678.19
Modification No. 2:	25,318.65
Total to Date:	$156,544.78

Staff requests approval to issue Modification No. 3 for $3,816.90.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
RESOLUTION NO. 94-44

WHEREAS, the Commision previously approved the award of Contract 2584 - Various Locations, Miscellaneous Earthquake Repairs to Frederick Meiswinkle, Inc. at a total cost of $107,547.94; and

WHEREAS, as repair work progressed, additional earthquake damage was discovered; and

WHEREAS, Contract Modifications Nos. 1 and 2 were issued to cover the additional damage; and

WHEREAS, further earthquake damage has been discovered; and

WHEREAS, in order to issue a modification to repair this additional damage, Commission approval is required since the accumulated contract modification amount will exceed $50,000; and

WHEREAS, it is expected that all of the additional earthquake damage repairs will be fully funded by FEMA/OES; therefore

BE IT RESOLVED, that the Port Commission authorizes staff to issue Modification No. 3 to Contract 2584 - Various Locations, Miscellaneous Earthquake Repairs for $3,816.90, for a total contact amount of $160,361.68.

I HEREBY CERTIFY that the following resolution was adopted by the Port Commission at it's meeting of March 4, 1994.

_____
SECRETARY

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

SUBJECT: Recommendation regarding an appointment to the Port Commission's Waterfront Plan Advisory Board

Meeting Date: March 8, 1994
Agenda Item: 9B
Resolution No: 94-45

SUBMITTED BY: Dennis Bouey, Executive Director

AGENDA CLASSIFICATION

___ Executive Director's Report
_X_ Planning and Community Affairs
___ Cargo Services
___ Other
___ Internal Services
___ Tenant Services
___ Legal

BACKGROUND:

On May 22, 1991, the Port Commission approved appointment of 27 members to the Waterfront Plan Advisory Board. Twelve members of the Advisory Board were appointed by the Board of Supervisors (one by each member of the Board, with the President appointing two members), and the Chair of the Advisory Board was appointed by the Mayor. The Port Commission appointed the remaining fourteen members of the Advisory Board.

Until January 1994, Jack Scott served on the Advisory Board as Supervisor Bill Maher's representative. Due to other pressing responsibilities, Mr. Scott has resigned from the Advisory Board.

Supervisor Maher has selected Bob Tibbits to fill Mr. Scotts' seat. A copy of Mr. Tibbit's application is attached for your information.

RECOMMENDATION:

The staff recommends that the Port Commission approve Mr. Tibbits' appointment to the Waterfront Plan Advisory Board.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
_____	___ Motion	Date: _____
	_X_ Resolution	Approved: _____
	___ Ordinance	Disapproved: _____
	___ Information Only	Continued: _____

_____
Secretary

L:98agenda

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-95

WHEREAS, the Port Commission approved Resolution No. 91-36 on May 22, 1991 which established a Waterfront Plan Advisory Board; and

WHEREAS, the members of the Board of Supervisors appointed a total of twelve of the members of the Advisory Board, the Mayor appointed the Chair of the Board, and the Port Commission appointed the remaining fourteen members of the Advisory Board; and

WHEREAS, in January 1994, Jack Scott, representing Supervisor Bill Maher, resigned from the Advisory Board; and

WHEREAS, Supervisor Maher has selected Bob Tibbits to replace Mr. Scott on the Advisory Board;

NOW, THEREFORE BE IT RESOLVED, that the Commission does hereby approve Bob Tibbits as a replacement member to the Waterfront Plan Advisory Board.

I HEREBY CERTIFY that the foregoing resolution was adopted by the San Francisco Port Commission at its regular meeting of March 8, 1994.

_____
Commission Secretary

FROM Robert M Tibbits 1/27/94 13:00 P. 1 isors

TO: SUPERVISOR BILL MAHER as per your request. B.

BOARD OF SUPERVISORS
City and County of San Francisco
Room 235, City Hall
San Francisco, CA 94102
415/554-5184

ORIGINAL

APPLICATION FOR BOARDS, COMMISSIONS AND COMMITTEES

BOARD, COMMISSION, COMMITTEE WATERFRONT PLAN ADVISORY BOARD
(If applicable, indicate category for which you are applying)

Name ROBERT M. TIBBITS Address 386 CHESTNUT ST.

Home Phone _____ Zip 94133-2420

Are you a resident of San Francisco? Yes ✓ No _____

Present occupation SEMI-RETIRED, FINANCIAL CONSULTANT

Employer SELF-EMPLOYED Bus. Address 386 CHESTNUT ST.

Business Phone 986-2622 Zip 94133-2420

Education B.A. - ECONOMICS, UNIVERSITY OF WASHINGTON; NUMEROUS EXTENSION AND CONTINUING EDUCATION COURSES IN INVESTMENT MANAGEMENT, LEASING, PROJECT FINANCE, TELECOMMUNICATIONS PRINCIPLES, ANALYSIS OF DISTRESSED AND BANKRUPT COMPANIES & CROSS-BORDER LEASING

Business and/or professional experience TELECOMMUNICATIONS PROJECTS FINANCIAL CONSULTANT (8 YEARS), LEVERAGED LEASE FINANCING OF CAPITAL EQUIPMENT (16 YEARS) & INVESTMENT MANAGEMENT (13 YEARS). CHARTERED FINANCIAL ANALYST & MEMBER OF ASSOCIATION FOR INVESTMENT MANAGEMENT & RESEARCH

Civic activities PRESIDENT, TELEGRAPH HILL DWELLERS; CHAIRMAN, MID-EMBARCADERO OPEN SPACE COMMITTEE; MEMBER, CAC FOR EMBARCADERO PROJECT, FISHERMAN'S WHARF AND TERMINAL SEPARATOR STRUCTURE; DIRECTOR, FRIENDS OF THE PORT

Could you be able to attend night meetings only? _____ Day meetings only? _____ Either ✓

Please state your qualifications AS A LONG STANDING RESIDENT OF TELEGRAPH HILL I HAVE MONITORED ACTIVITIES ALONG THE WATERFRONT FOR SEVERAL YEARS, INCLUDING REGULAR ATTENDANCE AT PORT COMMISSION MEETINGS, AND HAVE ATTENDED NEARLY EVERY MEETING AND SUB-COMMITTEE MEETINGS OF W.P.A.B.

APPEARANCE BEFORE THE ADMINISTRATION & OVERSIGHT COMMITTEE IS REQUESTED BEFORE ANY APPOINTMENT CAN BE MADE. PLEASE NOTE: Application will be retained for one year only.

TERM EXPIRES: _____ SIGNATURE: Bob Tibbits

APPOINTEE OF: MAHER ORIGINAL DATE: 1/27/94

143c - 2/91

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
AGENDA SUMMARY SHEET

SUBJECT: Declaration of Emergency, Port Contract No. 2598, Emergency Pier Oil Spill Remediation

MEETING DATE: March 4,1994
AGENDA ITEM: 9C
RES.: 94-35

SUBMITTED BY: Sharon Lee Polledri, Director
Planning, Development & Community Affairs

AGENDA CLASSIFICATION

___ Executive	___ Internal Services
___ Cargo Services	___ Legal Services
___ Engineering	___ Tenant Services
X Planning, Development & Community Affairs SLP	___ Others

BACKGROUND:

Your approval is requested for a resolution ratifying the action of the Vice President of the Commission in declaring an emergency and authorizing the immediate start of work to clean up spilled oil and remove a deteriorated oil pipeline at Pier 43.

On February 10, 1994, a deteriorated oil pipeline underneath Pier 43 broke and spilled approximately 200 gallons of bunker fuel into San Francisco Bay. The broken pipeline must be removed and capped immediately and spilled oil must be removed from pilings and vessels. As the needed work is beyond the capability of the Port's maintenance department, the work will be done by an independent contractor specializing in oil spill response work.

On February 15, the U.S. Coast Guard requested the Port take over the responsibility for the clean up of the oil spill and designated the Port as the responsible party. Although the Port is contesting the designation and has contacted several prospective responsible parties, a contract with Riedel Environmental Services is underway to address the emergency clean up.

Funds in the amount of $150,000 have been set aside for the emergency.

EXECUTIVE DIRECTOR'S RECOMMENDATION:

Approve this ratification of Emergency Declaration and Authorization for Emergency Pier 43 Oil Spill Remediation and Damaged Pipeline Removal.

Executive Director's Recommendation	Commission Action Required	Commission Action Taken
DPB	___ Motion	Date: _____
	XX Resolution	Approved: _____
	___ Ordinance	Disapproved: _____
	___ Information Only	Continued: _____

_____
Commission Secretary

SLP/fj/I:Oilagen

CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO PORT COMMISSION

RESOLUTION NO. 94-35

WHEREAS, on February 10, 1994, a deteriorated oil pipeline underneath Pier 43 broke and spilled approximately 200 gallons of bunker fuel into San Francisco Bay; and

WHEREAS, as of February 15, 1994, the U.S. Coast Guard requested that the Port assume responsibility for the clean up of the oil spill; and

WHEREAS, as of February 15, Vice President Anne Halsted, on behalf of the San Francisco Port Commission, declared the existence of an emergency and directed the Executive Director to perform the necessary work in the most expeditious manner; and

WHEREAS, as of February 16, the San Francisco Port Commission, in accordance with the provisions of Section 6.30 of the Administrative Code of the City and County of San Francisco, entered into an emergency contract for oil spill remediation work; now, therefore, be it

RESOLVED, that this Commission ratifies the action of the Vice President of the Commission contained in her letter to the Controller dated February 15, 1994 and authorizes the Executive Director to accept and approve the work upon completion; and, be it further

RESOLVED, that the Controller is hereby requested to certify funds for $150,000 for this emergency.

I HEREBY CERTIFY that the following resolution was adopted by the Port Commission at its meeting of February 22, 1994.

_____

Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

February 15, 1994

Mr. Ed Harrington
Controller
City and County of San Francisco
Room 109, City Hall
San Francisco, CA 94102

Subject: **Declaration of Emergency**
Pier 43 Oil Spill

Dear Mr. Harrington:

On February 10, 1993, an abandoned 10 inch bunker fuel line located under the Pier 43 dock broke, discharging 200 gallons of oil into San Francisco Bay. The U.S. Coast Guard was the immediate spill responder and worked on containment and clean-up of the spill until the broken pipe was temporarily patched and the spill contained. The Port of San Francisco must finish the spill clean-up by steam cleaning the oiled pilings at Piers 43, 41 and 39, and removing a section of pipe from below the Pier 43 dock and capping of the pipe at the seawall to prevent the further discharge of oil into San Francisco Bay.

This work needs to be conducted immediately and the Riedel Environmental Services, Inc. is mobilized at the site by the U.S. Coast Guard and is ready to start work under emergency contract to the Port of San Francisco.

It is, therefore, requested that you approve the funds requested for the emergency contract in the amount indicated in the attached agreement.

A resolution declaring the existence of this emergency will be presented to the Port Commission at its next meeting.

Sincerely,

Anne W. Halsted
Vice President
San Francisco Port Commission

Recommended by:

Dennis P. Bouey
Executive Director

AWH/fj/1:Oildec

F
55
#3
3/4/94

SAN FRANCISCO
PORT COMMISSION

MARCH 4, 1994

MINUTES OF THE MEETING

MEMBERS, PORT COMMISSION

Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

DENNIS P. BOUEY, EXECUTIVE DIRECTOR

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SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA

SPECIAL COMMISSION MEETING
MARCH 4, 1994
MINUTES

1. ROLL CALL

A special meeting of the Port Commission was called to order by President Cook at 8:05 a.m. with the roll call of members. Three Commissioners were present:

President Preston Cook
Vice President Anne Halsted
Commissioner Francis O'Neill

Commissioners James Herman and Ming Chang-O'Brien were absent.

2. APPROVAL OF MINUTES

It was noted that the February 22, 1994 Commission Meeting minutes will be presented at the next meeting for approval.

3. EXECUTIVE REPORT

A. New Commission Agenda Format

Mr. Bouey requested permission to present a new format of Commission packages for the next meeting. Mr. Bouey mentioned that he's open for suggestions.

B. Construction Contract Modifications

Mr. Bouey will present to the Commission a memorandum concerning the policy for the construction contract modifications.

4. CARGO SERVICES

A. Authorization to enter into a Tunnel Project Memorandum with the Peninsula Corridor Joint Powers Board regarding funding, design, construction cost reimbursement and title to improvements to provide for double-stack train access.

Mr. Bouey indicated that this project requires JPB to apply for $2.4 million in Title 23 funds to be used for the construction of the Tunnel Project.

ACTION: Commissioner Halsted moved approval.
Commissioner O'Neill seconded the motion.
All in favor, resolution was adopted.

5. TENANT SERVICES - No Item Calendared

6. ENGINEERING

A. Contract 2593 for Pier 45, Earthquake Repairs, approval to allow Homer J. Olsen to withdraw its bid and authorize the award to Dan Caputo Company if it is determined to be the lowest responsive bidder, at a cost not to exceed $9,398,205 and a 3% contingency.

Mr. Bouey reported that the Human Rights Commission (HRC) conducted a hearing and has determined that Arntz Construction Company did not meet eligibility standards, therefore, contract is awarded to Dan Caputo Company.

ACTION: Commissioner O'Neill moved approval.
Commissioner Halsted seconded the motion.
All in favor, resolution was adopted.

7. PLANNING AND DEVELOPMENT & COMMUNITY AFFAIRS

A. Authorization to reject all proposals for Pier 98 Technical Design and Reissue a Request for Proposal.

Mr. Bouey requested rejection of all proposals and begin a new process.

ACTION: Commissioner Halsted moved approval.
Commissioner O'Neill seconded the motion.
All in favor, resolution was adopted.

8. INTERNAL AFFAIRS - No Item Calendared

9. CONSENT CALENDAR

A. Contract No. 2584 - "Various Locations, Miscellaneous Earthquake Repairs," Frederick Meiswinkel, Inc., approval of Contract Modification No. 3 for $3,816.90

ACTION: Commissioner Halsted moved approval.
Commissioner O'Neill seconded the motion.
All in favor, resolution was adopted.

B. Recommendation regarding an appointment to the Port Commission's Waterfront Plan Advisory Board

Commissioner O'Neill welcomed Bob Tibbits and congratulated him on his appointment. Commissioner Halsted mentioned that the Port is fortunate to have Mr. Tibbits on board. Commissioner Cook shared the same enthusiasm.

ACTION: Commissioner O'Neill moved approval.
Commissioner Halsted seconded the motion.
All in favor, resolution was adopted.

C. Declaration of Emergency Port Contract No. 2598, Emergency Pier 43 Oil Spill Remediation

Commissioner Cook inquired as to how the oil spill was handled and what the procedures are in general. Mr. Bouey reported that as soon as the Coast Guard became aware of the oil spill, they began the remediation process. Port staff, in turn, declared an emergency and requested the Board of Supervisors for funds to cover the costs of remediation.

ACTION: Commissioner Halsted moved approval.
Commissioner O'Neill seconded the motion.
All in favor, resolution was adopted.

There being no other items on the agenda, meeting was adjourned at 8:17 a.m.

F
S55
F1
3/22/94

SAN FRANCISCO PORT COMMISSION

REGULAR MEETING TUESDAY
4:00 P.M. MARCH 22, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

DOCUMENTS DEPT.
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AGENDA

1. ROLL CALL

2. APPROVAL OF MINUTES

3. EXECUTIVE

   A. Executive Director's Report

   B. Resolution supporting refunding of Port Revenue Bonds Series A, Series B & Series C, in the amount approximately $50 million. The Port will replace its current bond resolution with a new bond indenture which will provide added financing flexibility. (Resolution No. 94-37)

   C. Approval of the Port's 1994/95 Operating Budget (Resolution No. 94-47)

4. CARGO SERVICES

   A. Authorization to enter into a five-year lease with Tidewater Sand and Gravel, Inc. for 101,900 square feet at Seawall Lot 352 for sand reclamation and distribution. (Resolution No. 94-39)

   B. Authorization to issue Request For Proposals (RFP) to select a proposed tenant for a five year lease of Pier 48 and portion of Seawall Lot 337 at Terry Francois Blvd. (China Basin) for use as a maritime, maritime-related, or general warehousing facility. (Resolution No. 94-40) **THIS ITEM HAS BEEN PUT OVER TO THE NEXT MEETING.**

5. TENANT SERVICES

   A. Authorization to issue a Request For Proposal (RFP) for a 15-year lease at the Mission Rock Resort property, Terry Francois Blvd., (China Basin). (Resolution No. 94-41)

B. Authorization to enter into a Month-to-Month Lease with the American Merchant Marine Veterans for a Memorial Plaque at the Port Promenade. (Resolution No. 94-42)

C. Authorization to award to Pier 32 Market, Inc. the exclusive right to negotiate a lease for an arts and crafts market on Pier 30-32, located on The Embarcadero between Bryant and Brannan Streets. (Resolution No. 94-50)

6. **ENGINEERING**

A. Professional Services Contract No. SA 3930006, "Ferry Plaza and Pier 27-29 Structural Engineering Services for Earthquake Damage Repair," Winzler & Kelly/AGS, approval to execute Phase II final design work for $716,101.00 (Resolution No. 94-43)

B. Contract No. 2597, "Fisherman's Wharf Sidewalk Improvements" (which include new street lights and trees), authorization to award to lowest responsive bidder. (Resolution No. 94-48)

7. **PLANNING DEVELOPMENT & COMMUNITY AFFAIRS**

A. Request authorization to apply for a time extension for a $3 million construction loan from the State Department of Boating and Waterways; and to apply for an additional $1.7 million construction loan from the Department of Boating and Waterways for the Hyde Street Harbor. (Resolution No. 94-53)

8. **INTERNAL SERVICES**

9. **CONSENT CALENDAR**

A. Approval of Refunds and Allowances for the month of February 1994. (Resolution No. 94-51)

10. **EXECUTIVE SESSION**

A. An executive session has been calendared for the March 22, 1994 meeting of the Port Commission to discuss rèal property negotiations with Southwest Marine, Inc., a California corporation at Pier 70. The City Attorney's Office is of the opinion that an executive session is specifically authorized under California Government Code Section 54956.8

11. **NEW BUSINESS**

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

PORT OF SAN FRANCISCO

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MEMORANDUM

March 16, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Refinancing of Port Revenue Bonds Series A, Series B, and Series C in the amount of approximately $50 million. The Port will replace its current bond resolution with a new bond indenture which will provide added financing flexibility.

DIRECTOR'S RECOMMENDATION: APPROVE THE REFINANCING OF PORT REVENUE BONDS.

This item is for the refinancing of the Port's outstanding revenue bonds that will result in estimated debt service savings of $8.6 million over the next fifteen years including an estimated $3.6 savings in 1993/94. The Commission is requested to approve several draft documents, described in more detail below, necessary to facilitate the refinancing. The refunding bonds, per our schedule, will be sold by May 31, 1994 and the sale will close by June 30, 1994.

To effect the refunding, the Port Commission must approve the form of the following documents:

Preliminary Official Statement
Indenture of Trust

THIS PRINT COVERS CALENDAR ITEM NO. 3B

First Supplemental Indenture of Trust
Escrow Agreement
Notice of Sale
Bond Purchase Agreement

All of the foregoing documents are described in more detail on the following pages.

These documents are not in final form as of this meeting. The financing team will continue to revise these documents until shortly before the bond sale, currently scheduled for May 1994.

The Port has the opportunity to complete a "current refunding" of its outstanding revenue bonds. The first date on which this refunding may be effective is April 1994 (ninety days prior to the first call date of Series C bonds). The Port has been working with Bond Counsel, Financial Advisors and the City Attorney's Office to structure the refunding bond issue and develop the necessary documents. Staff is in the process of selecting Underwriters to complete a negotiated sale.

1. Benefits

A. Debt Service Savings - Estimates are conservative, based on a credit rating of BBB plus 50 basis points. The Port's current ratings are A1 from Moody's Investment Service and BBB+ from Standard and Poor's. The True Interest Cost (TIC) is estimated at 6.19% including cost of issuance.

*	Gross savings	$ 8.6 million
*	Net Present Value Savings	$ 6.5 million
*	1993/94 Savings	$ 3.6 million
*	1994/95 Savings	$ .9 million

B. New Bond Indenture - The current documents are twenty-five years old and outdated. The new Indenture is consistent with current industry documents and will provide the Port with additional financing flexibility. These benefits include:

* Ability for dedicated financing
* Modern reserve fund requirement
* Liberalize reserve fund permitted investments
* Updated rate covenant language
* Ability for other types of debt, i.e., variable rate debt, capital appreciation bonds
* Modern "Additional Bonds Test"

2. Bond Structure

A. Maturity - the refunding bonds will mature in fifteen years, the same maturity as the 1984 Series C.

3. Description of Documents

A. Preliminary Official Statement (POS) - This document is distributed to potential investors and serves as a disclosure and marketing document for the Refunding Bonds. The POS describes the terms of the financing and the provisions of the legal documents.

B. Indenture of Trust (Master Indenture) - This document is the principal security document for the Refunding bonds to be issued. Once the refunding bonds are issued, it will take the place of the previous resolution adopted in 1969. The indenture contains covenants regarding the operation of the Port that are designed to enhance the security for the Bonds and give the Bondholders comfort that they will be paid.

C. First Supplemental Indenture of Trust - This document is a short supplement to the Master Indenture which provides for specific terms of the Refunding Bonds. In the future, any issue of additional Bonds would also be issued under the terms of a separate Supplemental Indenture.

D. Escrow Agreement - This agreement establishes an escrow fund for the deposit of the proceeds of the Refunding Bonds in an amount sufficient to provide for the payment in full of the port revenue bonds to be refunded.

E. Notice of Sale - This document contains the terms upon which underwriters may make bids on the Refunding Bonds when they are sold at a public sale.

F. Bond Purchase Agreement - This document contains the terms and conditions for the sale of the refunding bonds to an underwriter in a negotiated sale.

4. Series A, B & C

A. Port Commission of San Francisco Revenue Bonds, Series A, Issued in December 1969:

*	Amount of Issue	$11,000,000
*	Principal Balance	$5,400,000
*	Interest Rate	7.20%
*	Maturity	7/1/99

B. Port Commission of San Francisco Revenue Bonds, Series B, Issued in January 1971:

* Amount of Issue	$9,000,000
* Principal Balance	$4,500,000
* Interest Rate	5.5%
* Maturity	7/1/01

C. Port Commission of San Francisco Revenue Bonds, Series C, Issued in December 1984

* Amount of Issue	$42,500,000
* Principal Balance	$40,075,000
* Interest Rates	11.5% to 9.5%
* Maturity	7/1/09

4. Major Tasks

A. Credit
* Develop strategy
* Develop rating agency presentation
* Develop financial projections
* Meet with rating agencies
* Evaluate rating impact on refinancing

B. Official Statement (OS)
* Disclosure and marketing document
* Last Port Official Statement was in 1984

C. New Indenture of Trust (Master Indenture) and First Supplemental Indenture of Trust
* Provides the terms and conditions for debt issues, management and covenants to bond holders
* The current Master Bond Resolution is 25 years old

D. Selling of Bonds
* selection of underwriters
* pre-marketing to investor and underwriter community
* negotiating sale

E. Closing
* Execution of financing documents
* Delivery of bonds

provide a schedule of debt service savings.

7. Summary

A. Credit - The refinancing of Port revenue bonds has significant financial benefits. However, the refinancing will not be simple or easy. The Port has serious credit issues to overcome. The rating and staff feedback from Moody's and Standard & Poor's is important in the decision as to whether to go forward.

B. Decision to Issue - The decision to refund outstanding bonds is based on several issues, savings, the need to revise a restrictive indenture, etc. The common financial criteria is "Percentage of Savings of Refunded Principal" of a minimum of 4% or 5%. The estimated savings from this refunding is 15.3%.

There could be other unforseen issues that arise could arise between now and the date of the bond sale. Mr. Bouey will be monitoring the progress of this transaction and will delay the sale should, in his opinion, any negative consequences outweigh the benefits of the refunding.

Prepared by: Ben Kutnick

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-37

WHEREAS, this Port Commission (the "Commission") of the City and County of San Francisco (the "City"), pursuant to the laws of the State of California, the Charter of the City (the "Charter"), and previous resolutions duly adopted and proceedings duly conducted by the Commission, has previously authorized the issuance, sale and delivery of its revenue bonds (the "1969 Resolution Bonds") listed in Schedule A attached hereto, to assist in the financing of the acquisition, construction, and improvement of San Francisco Harbor or the Port Area (as each is defined in Resolution No. 5231 adopted by the Port Commission on July 9, 1969, as amended and supplemented (the "1969 Resolution")) under its jurisdiction; and

WHEREAS, the Commission desires to issue and sell its revenue refunding bonds in the aggregate principal amount of not to exceed $60,000,000, pursuant to this resolution of the Commission (this "Resolution"), the Charter (including, to the extent applicable, the San Francisco Harbor Revenue Bond Act of 1951 as incorporated by reference in Section 7.305 of the Charter) and the applicable provisions of the California Government Code, in order to reduce the amount of debt service payments on the 1969 Resolution Bonds by refunding and setting aside funds to retire all or a portion of the 1969 Resolution Bonds and in connection therewith to fund a reserve fund for the Bonds and to pay the costs of issuance of the Bonds;

RESOLVED by the PORT COMMISSION OF THE CITY AND COUNTY OF SAN FRANCISCO as follows:

Section 1. Issuance of Bonds. The Commission hereby authorizes the issuance of its revenue refunding bonds (the "Bonds") in an aggregate amount not in excess of $60,000,000, in one or more series and issued in accordance with this Resolution, the Charter and the Indenture mentioned hereinafter.

The Executive Director of the Port of San Francisco (the "Executive Director") is hereby authorized and directed to provide for the sale of the Bonds, by public or private sale, subject to the following terms and conditions:

(a) the present value savings arising as a result of the issuance of the Bonds and the refunding of the 1969 Resolution Bonds shall be at least equal to three percent (3%) of the outstanding principal amount of the 1969 Resolution Bonds;

(b) no Bond shall have a stated coupon interest rate in excess of twelve percent (12%) per annum;

(c) the Bonds shall not have a final maturity date later than July 1, 2009;

(d) costs incurred in connection with the issuance of the Bonds (excluding underwriters' discount and any cost of credit enhancement) and paid from the proceeds of the sale of the Bonds shall not exceed two percent (2%) of the aggregate principal amount of the Bonds;

(e) in the event of a competitive sale of the Bonds, the Bonds may not be sold at a price less than ninety-five percent (95%) of the principal amount thereof, plus accrued interest;

(f) in the event of a private sale of the Bonds, the underwriters' discount or fee shall not exceed two and one-half percent (2-1/2%) of the aggregate principal amount of the Bonds sold, exclusive of original issue discount; and

(g) in the event the Executive Director determines to sell any Bonds with credit enhancement, such as a municipal bond insurance policy, a surety bond or a letter of credit, the Co-Financial Advisors shall have advised him that the present value savings to the Commission resulting from the purchase of such credit enhancement shall equal or exceed the cost thereof.

Section 2. Indenture and First Supplement to Indenture. The forms of Indenture of Trust (the "Master Indenture") and First Supplement to Indenture of Trust (the "Supplemental Indenture"), (collectively, the "Indenture"), in substantially the forms presented to this Commission, copies of which are on file with the Secretary of the Commission (the "Secretary") and by this reference incorporated herein, are hereby approved. The President (the "President") is hereby authorized and directed to execute, and the Secretary is authorized to attest, the Master Indenture and a Supplemental Indenture for the Bonds in substantially such form, with such changes, additions, amendments or modifications (including but not limited to changes, additions, amendments or modifications necessary to obtain credit enhancement or ratings for all or any portion of the Bonds), which are approved by the Executive Director in the interest of the Commission, such approval to be conclusively evidenced by said execution.

Section 3. Form of Bonds. The form of the Bonds, in substantially the form attached to the Supplemental Indenture as Exhibit A and presented to this Commission, copies of which are on file with the Secretary and by this reference incorporated herein, is hereby approved. The President is hereby directed, and the Treasurer of the City (the "Treasurer") is hereby requested, to approve and to execute the Bonds by manual or facsimile signature and to cause the seal of the Commission to be reproduced or impressed on the Bonds; and the President is hereby

directed, and the Treasurer is hereby requested, to direct the trustee under the Indenture (as hereinafter defined) to authenticate the Bonds by the manual signature of an authorized signatory, with such changes, additions, amendments or modifications as may be made in accordance with Section 15 hereof.

Section 4. Appointment of Trustee, Depositories and Other Agents. The Executive Director is hereby authorized and directed to select a financial institution to serve as trustee under the Indenture.

The Executive Director is hereby authorized and directed to appoint from time to time one or more depositories for the Bonds as he may deem desirable.

The Executive Director is hereby also authorized and directed to appoint from time to time one or more agents as he may deem necessary or desirable. To the extent permitted by applicable law, and under the supervision of the Executive Director, such agents may serve as escrow agent, paying agent, fiscal agent or registrar for the Bonds or may assist the Executive Director in performing any or all of such functions and other duties as the Executive Director shall determine. Such agents shall serve under such terms and conditions as the Executive Director shall determine. The Executive Director may remove or replace agents appointed pursuant to this section at any time.

Section 5. Escrow Agreement. The form of Escrow Agreement (the "Escrow Agreement") in substantially the form presented to this Commission, copies of which are on file with the Secretary of the Commission and by this reference incorporated herein, is hereby approved. The Executive Director is hereby authorized and directed to execute and deliver an Escrow Agreement for each series of the 1969 Resolution Bonds to be refunded in substantially such form, with such changes, additions, amendments or modifications as may be made in accordance with Section 15 hereof.

Section 6. Sale and Award of Bonds. In the event the Executive Director determines to sell the Bonds by public sale, the Executive Director is hereby authorized and directed to determine a date for the sale of the Bonds and to request that the Treasurer receive bids for the purchase of the Bonds and award the Bonds to the bidder whose bid represents the lowest net interest cost to the Commission, all in accordance with the procedures described in the Notice of Sale (defined herein), as executed and circulated by the Treasurer.

Section 7. Notice of Sale. The form of proposed Official Notice of Sale (the "Notice of Sale"), in substantially the form

presented to this Commission, copies of which are on file with the Secretary and by this reference incorporated herein, is hereby approved. The Treasurer is hereby requested, in the event of a public sale of the Bonds to cause the Notice of Sale, with such changes, additions, amendments or modifications, as may be made in accordance with Section 15 hereof, to be published twice in two weeks, the last publication occurring no later than fifteen (15) days before the sale date, in one or more newspapers of general circulation in the City. The Executive Director is hereby authorized to cause to be prepared and published or circulated a summary form of the Notice of Sale.

In the event of a public sale of the Bonds, sealed proposals for the purchase of the Bonds shall be received by the Treasurer on such date and at such time and in accordance with such procedures as may be determined by the Executive Director and the Treasurer.

Section 8. Notice of Intention to Sell. The Executive Director is hereby authorized to prepare and to cause to be published no later than fifteen (15) days prior to the proposed sale date of the Bonds, in a financial newspaper generally circulated throughout the State of California and selected by the Executive Director, a notice of intention to sell describing the Bonds to be sold.

Section 9. Selection of Underwriters. If, in the determination of the Executive Director, upon the advice of the Co-Financial Advisors to the Port, a negotiated sale of the Bonds will achieve interest rate savings or otherwise facilitate the marketing of the Bonds, the Executive Director may, and is hereby authorized and directed to, appoint one or more investment banking firms to act as underwriters for the Bonds in accordance with Commission policies and procedures and the Charter and the Administrative Code of the City, including, but not limited to, the Commission's policy to provide locally disadvantaged minority business enterprises and women enterprises an equal opportunity to participate in the performance of all Commission contracts. Any such selection shall be subject to approval and ratification by the Commission.

Section 10. Bond Purchase Agreement. The form of Bond Purchase Agreement (the "Bond Purchase Agreement"), in substantially the form presented to this Commission, a copy of which is on file with the Secretary and by this reference incorporated herein, is hereby approved. In the event the Bonds are to be sold by private sale, the Executive Director is hereby authorized and directed to execute and deliver a Bond Purchase Agreement for the Bonds in substantially such form, with such changes, additions, amendments or modifications as may be made in accordance with Section 15 hereof.

Section 11. Official Statement. The Executive Director is hereby authorized and directed, in consultation with the City Attorney, to prepare a preliminary official statement for the Bonds authorized by this Resolution. The form of proposed preliminary official statement (the "Preliminary Official Statement"), in substantially the form presented to this Commission, copies of which are on file with the Secretary and by this reference incorporated herein, is hereby approved with such changes, additions, amendments or modifications as may be made in accordance with Section 15 hereof. The Executive Director is hereby authorized to cause the distribution of a Preliminary Official Statement for the Bonds, deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934, as amended, and to sign a certificate to that effect. The Executive Director is hereby further authorized and directed to sign a final Official Statement for the Bonds. The Co-Financial Advisors are hereby authorized and directed to cause to be printed and mailed to prospective bidders or purchasers, as appropriate, for the Bonds, copies of the Preliminary Official Statement and the final Official Statement.

Section 12. Verification Agent. The Executive Director is hereby authorized and directed to appoint and compensate from time to time such verification agent as he may deem necessary or desirable to certify that the proceeds of the Bonds and any other moneys deposited into the escrow fund established pursuant to each Escrow Agreement are sufficient to pay the principal of, premium, if any, and interest on the 1969 Resolution Bonds. Such verification agent shall serve under such terms and conditions as the Executive Director shall determine. The Executive Director may remove or replace any verification agent appointed pursuant to this section at any time.

Section 13. Retention of Other Agents; Payment of Compensation to Such Agents. The Executive Director is hereby authorized and directed to retain the services of other agents, including, but not limited to, rating agencies, financial advisors, letter of credit banks and bond insurers as he may deem necessary or desirable to facilitate the issuance of the Bonds. The Executive Director is hereby further authorized to enter into any agreements with such agents and to compensate such agents for services rendered. The Executive Director may remove or replace agents appointed pursuant to this section at any time.

Section 14. Payment of Costs of Issuance. The Executive Director is hereby authorized and directed to pay, or cause to be paid on behalf of the Commission, the costs of issuance associated with the Bonds.

Section 15. Modification to Documents. Any Commission official or employee authorized by this Resolution to execute any document is hereby further authorized, in consultation with the

City Attorney, to approve and make such changes, additions, amendments or modifications to the document or documents the official is authorized to execute as may be necessary or advisable (provided that such changes, additions, amendments or modifications shall not authorize an aggregate principal amount of Bonds in excess of $60,000,000, or be inconsistent with any of the conditions set forth in Section 1 hereof). The approval of any change, addition, amendment or modification to any of the aforementioned documents shall be evidenced conclusively by the execution and delivery of the document in question.

Section 16. Ratification. All actions heretofore taken by the officials, employees and agents of the Commission or the City with respect to the sale and issuance of the Bonds and the refunding of the 1969 Resolution Bonds are hereby approved confirmed and ratified.

Section 17. Certification to Board of Supervisors. The Commission hereby finds and determines and certifies to the Board of Supervisors of the City that the issuance of the Bonds pursuant to Section 7.305 of the Charter is necessary and desirable to carry into execution the plans or projects of the Commission authorized by the Charter.

Section 18. General Authority. The Executive Director, the President, the Secretary, and any other officials of the Commission and their duly authorized deputies and agents are hereby authorized and directed, for and in the name and on behalf of the Commission, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including any commitments or other agreements for bond insurance policies, surety bonds, letters of credit, debt service reserve puts, contracts described in Section 5922 of the California Government Code or other similar credit enhancement or financing instruments, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds, the refunding of the 1969 Resolution Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by this Commission.

Section 19. Effective Date. This resolution shall take effect from and after its passage and approval.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of March 22, 1994.

_____
Secretary

SCHEDULE A

Outstanding Revenue Bonds of the Port Commission of San Francisco

Issue	Principal Amount
Series A	$ 5,400,000
Series B	4,500,000
Series C	40,075,000

PORT OF SAN FRANCISCO

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MEMORANDUM

March 16, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Approval of 1994/95 Budget

DIRECTOR'S RECOMMENDATION: APPROVE THE 1994/95 OPERATING BUDGET

The proposed 1994/95 Operating Budget includes a decrease in revenues of $1.1 million. This revenue decrease is the result of the loss of COSCO ($1.7 million) and increases in rentals and interest income ($ .6 million).

The expenditure budget has been reduced by $1.4 million which includes anticipated salary increases of $415,000. Significant reductions were made in most expenditure categories although City Overhead and Claims budgets increased significantly.

The projected Surplus of $482,180 is only 1.4% of the expenditure budget for 1994/95. Staff would prefer to project a surplus of no less than $1 million for any fiscal year. However, to do so would mean additional personnel reductions.

This budget will be monitored very carefully during the fiscal year to ensure that the year is completed with a positive balance. Appropriate measures will be taken during the year, should they may become necessary, to end the fiscal year with a surplus.

THIS PRINT COVERS CALENDAR ITEM NO. 3C

To balance the 1994/95 budget, it was necessary to reduce positions that would not seriously impact revenues, maintenance of facilities or other critical operations. After a review of the functions and activities of the organization, twenty-six positions are being recommended for elimination. An additional eight positions have been added to the budget which either generate revenues or address a critical need.

This budget has been reconfigured to reflect a revised organization. A copy of the organization chart is attached.

A summaries of the budget, revenues, expenditures and position changes are provided below.

The proposed 1994/95 annual budget is summarized below:

	1993/94	1994/95	Increase/Decrease
Revenue	$37,107,725.00	$36,011,370.00	$(1,096,355.00)
Expense			
- Budget	36,551,921.00	35,114,190.00	(1,437,731.00)
- Est. Salary Increase @ 3%		415,000.00	415,000.00
- Total	36,551,921.00	35,529,190.00	(1,022,731.00)
Surplus	$ 555,804.00	$ 482,180.00	$ 73,624.00

	1993/94	1994/95	Increase/Decrease
REVENUES			
Cargo Revenues			
Dockage	$ 662,000.00	$ 540,000.00	$ (122,000.00)
Wharfage	4,660,000.00	3,496,000.00	(1,164,000.00)
Demmurage	178,000.00	121,000.00	(57,000.00)
Crane Rental	1,958,000.00	1,536,000.00	(422,000.00)
Cargo Facilities	1,301,000.00	1,548,000.00	247,000.00
Miscellaneous	5,000.00	40,000.00	35,000.00
Sub-Total	8,764,000.00	7,281,000.00	(1,483,000.00)

Rentals			
Rent	19,840,200.00	20,710,500.00	870,300.00
Power	960,000.00	965,000.00	5,000.00
Parking Meters	852,000.00	963,000.00	121,000.00
Parking Stalls	754,000.00	649,000.00	(105,000.00)
Ship Repair	1,900,000.00	1,514,900.00	(385,100.00)
Fishing Facilities	90,000.00	40,000.00	(50,000.00)
Dockage	499,200.00	424,000.00	(75,200.00)
Wharfage	330,000.00	398,000.00	68,000.00
Miscellaneous	377,000.00	170,000.00	(207,000.00)
Sub-Total	25,602,400.00	25,844,400.00	242,000.00
Other Revenues			
Interest Income	1,854,325.00	2,050,372.00	196,047.00
Other	887,000.00	835,598.00	(51,402.00)
Sub-Total	2,741,325.00	2,885,970.00	144,645.00
Total Revenues	37,107,725.00	36,011,370.00	$ (1,096,355.00)
EXPENDITURES			
Salaries	12,757,088.00	11,815,633.00	(941,455.00)
Fringe Benefits	2,885,817.00	2,518,663.00	(367,154.00)
City Overhead	574,729.00	677,048.00	102,319.00
Prof. Services	1,179,856.00	935,134.00	(244,722.00)
Travel	81,056.00	78,796.00	(2,260.00)
Training	44,046.00	66,860.00	22,814.00
Promotion	360,380.00	253,430.00	(106,950.00)
Memberships	52,355.00	41,590.00	(10,765.00)
Contract Serv.	2,810,814.00	2,753,321.00	(57,493.00)
Claims	55,000.00	405,000.00	350,000.00
Mat'ls & Supplies	932,867.00	938,898.00	6,031.00
Facil. Maintenance	652,945.00	683,800.00	30,855.00
Equipment	247,750.00	107,658.00	(140,092.00)
Svcs of Depts	3,362,977.00	3,416,315.00	53,338.00
Insurance	1,300,000.00	1,000,000.00	(300,000.00)
	(250,000.00)		250,000.00
Debt Service	9,504,241.00	9,422,044.00	(82,197.00)
Total	36,551,921.00	35,114,190.00	(1,437,731.00)

POSITION SUMMARY

The 1994/95 budget includes 8 new positions and 26 positions eliminated, for a total of 227. In addition, there are 6 reclassifications, and 3 positions not funded.

Budgeted Positions

Positions 1993/94	245
New Positions	8
Deleted Positions	(26)
Positions 1994/95	227

By Division

Tenant Services	24
Planning & Development	16
Marketing	10
Government & Community Affairs	1
Facilities & Operations	131
Administration	42
Executive	3
Total	227

	Salaries	Fringe Benefits	Total
New Positions			
AAAA Maritime Manager	85,000.00	14,450.00	99,450.00
9395 Asst. Rental Manager	57,107.00	9,718.00	66,825.00
1406 Senior Clerk	27,720.00	4,712.00	32,432.00
9373 Manager of Marketing	83,181.00	14,344.00	97,525.00
5174 Admin. Engineer	67,752.00	11,518.00	79,270.00
7262 Maintenance Planner	54,396.00	9,247.00	63,643.00
1819 MIS Specialist	41,303.00	6,744.00	48,047.00
1632 Senior Account Clerk	36,905.00	6,443.00	43,348.00
	453,364.00	77,176.00	530,540.00
Deleted Positions			
9355 Wharfinger	38,367.00	6,553.00	44,920.00
9359 Asst Supt Harbor Maint.	73,994.00	10,897.00	85,957.00
9393 Cargo Marketing Rep	61,439.00	9,618.00	71,057.00
7395 Iron Worker	49,329.00	8,093.00	57,422.00
4308 Sr. Collection Clerk	41,055.00	7,013.00	48,068.00
7345 Electrician	55,724.00	10,770.00	66,494.00

9358	Crane Mechanic Sup.	.00	.00	.00
1842	Management Assistant	40,847.00	6,951.00	47,798.00
9361	Manager, Maintenance	73,994.00	11,963.00	84,891.00
7345	Electrician	55,724.00	9,063.00	64,787.00
7344	Carpenter	52,565.00	8,780.00	61,345.00
5208	Civil Engineer	69,426.00	12,085.00	81,511.00
1844	Sr. Management Asst.	42,439.00	7,387.00	49,826.00
9330	Pile Worker	55,436.00	9,487.00	64,923.00
9330	Pile Worker	55,436.00	10,085.00	65,521.00
9330	Pile Worker	55,436.00	9,487.00	64,923.00
1630	Account Clerk	29,075.00	5,076.00	34,151.00
1630	Account Clerk	29,075.00	5,076.00	34,151.00
1630	Account Clerk	31,999.00	5,587.00	37,586.00
1872	Programmer Analyst	45,832.00	7,483.00	53,315.00
1874	Sr. Programmer Analyst	45,832.00	7,483.00	53,315.00
1926	Material & Supplies Sup.	35,209.00	6,557.00	41,766.00
1844	Sr. Management Asst.	42,439.00	6,254.00	48,693.00
9390	Executive Assistant	61,727.00	9,268.00	70,995.00
9391	Public Relations Rep.	52,800.00	8,319.00	61,119.00
9391	Public Relations Rep.	47,894.00	7,546.00	55,440.00
		1,243,093.00	206,881.00	1,449,974.00

Reclassifications

7258 Maint. Machinist Sup. I
1866 Systems & Procedures Supervisor
1824 Principal Administrative Analyst
AAAA Assistant Director, Business & Finance
AAAA Administrative Secretary, Port

Prepared by: Ben Kutnick

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-47

WHEREAS, Staff has developed a Business Plan for the 1994/95 fiscal year; and

WHEREAS, the Business Plan includes strategic plans for the Port and for each Division; and

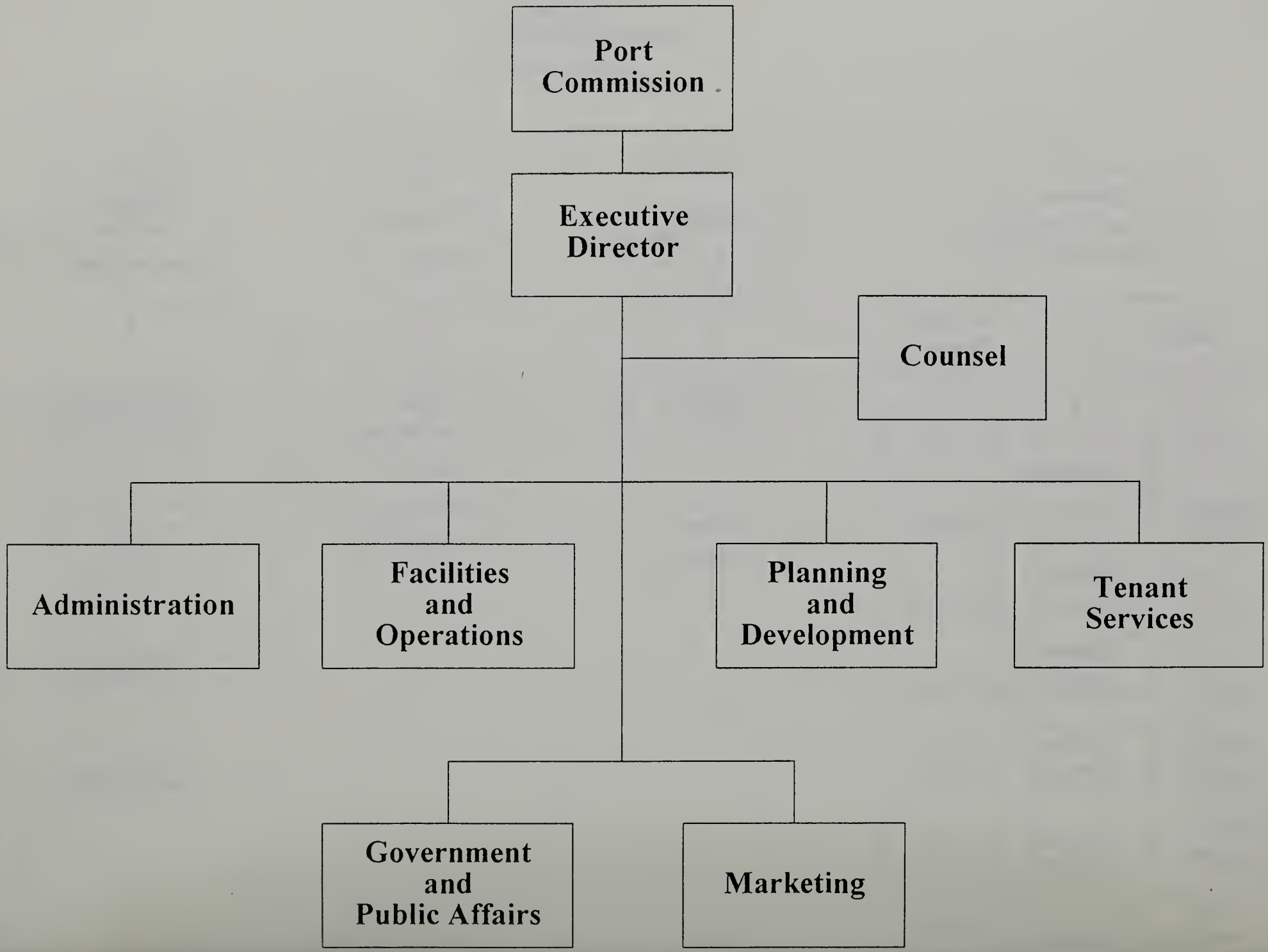
WHEREAS, the annual operating budget includes estimates and justifications for revenues and expenditures; and

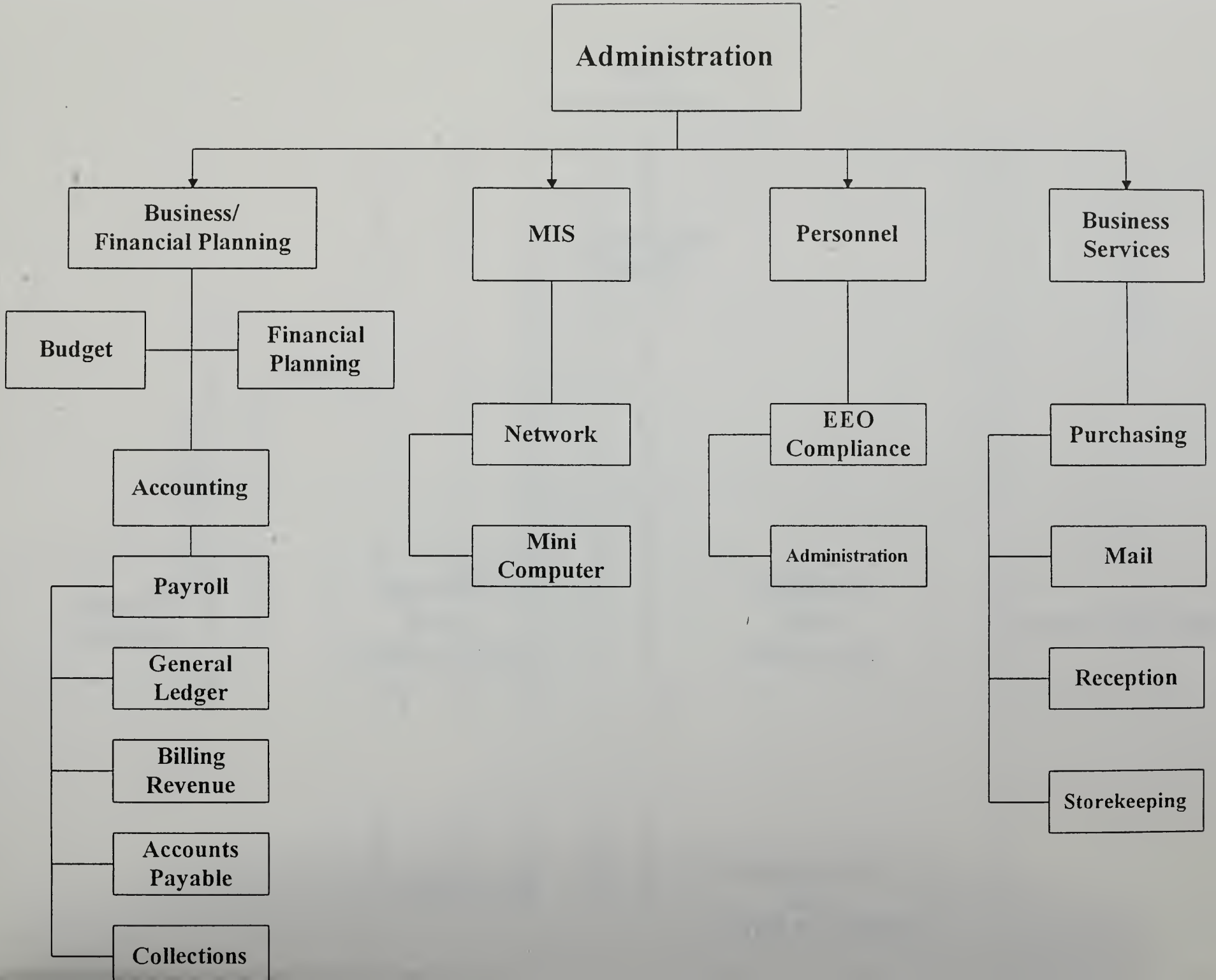
WHEREAS, the budget estimates a surplus of $482,180; therefore, be it

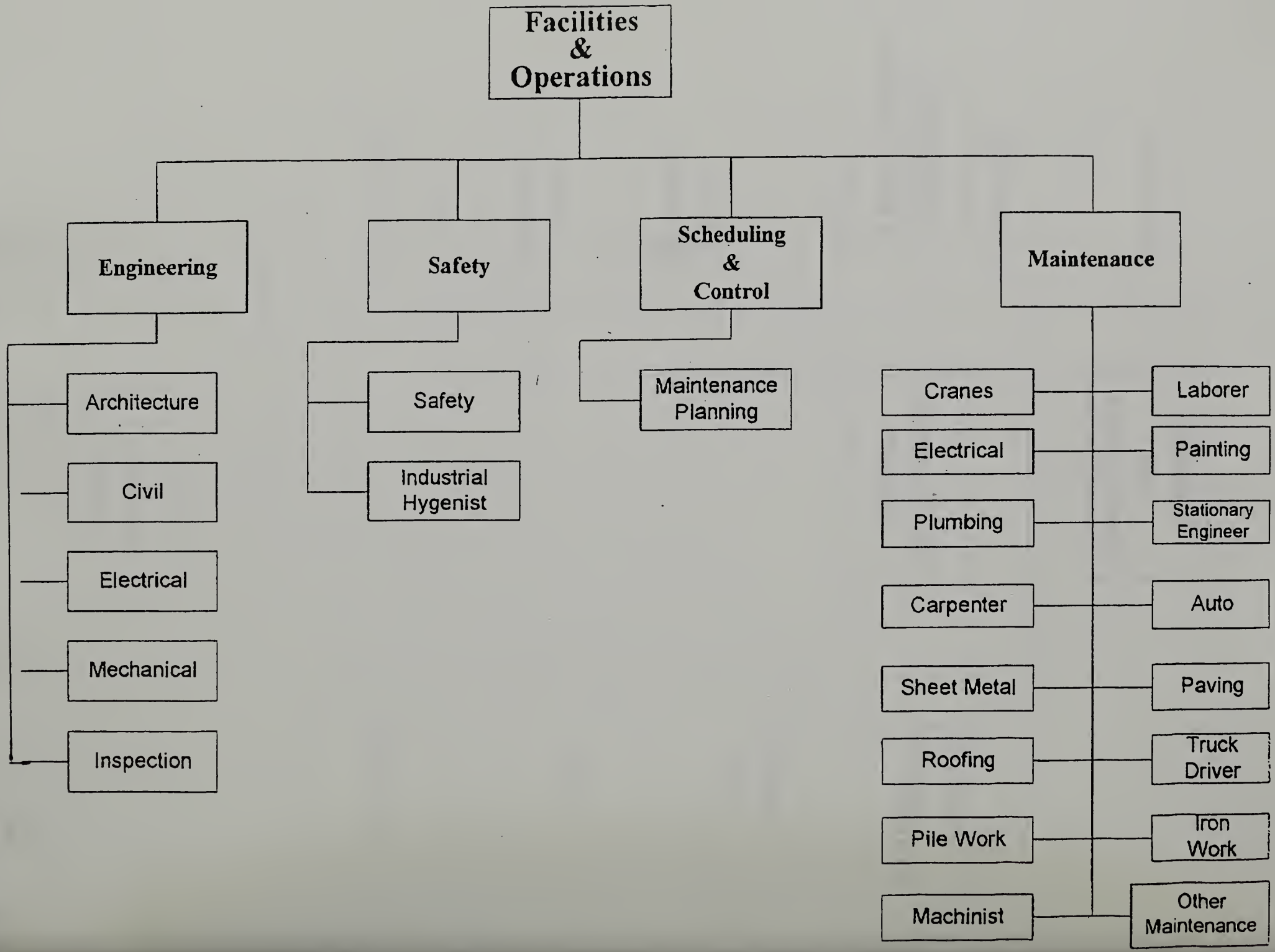
RESOLVED, that the Port Commission approves the budget as prepared by staff.

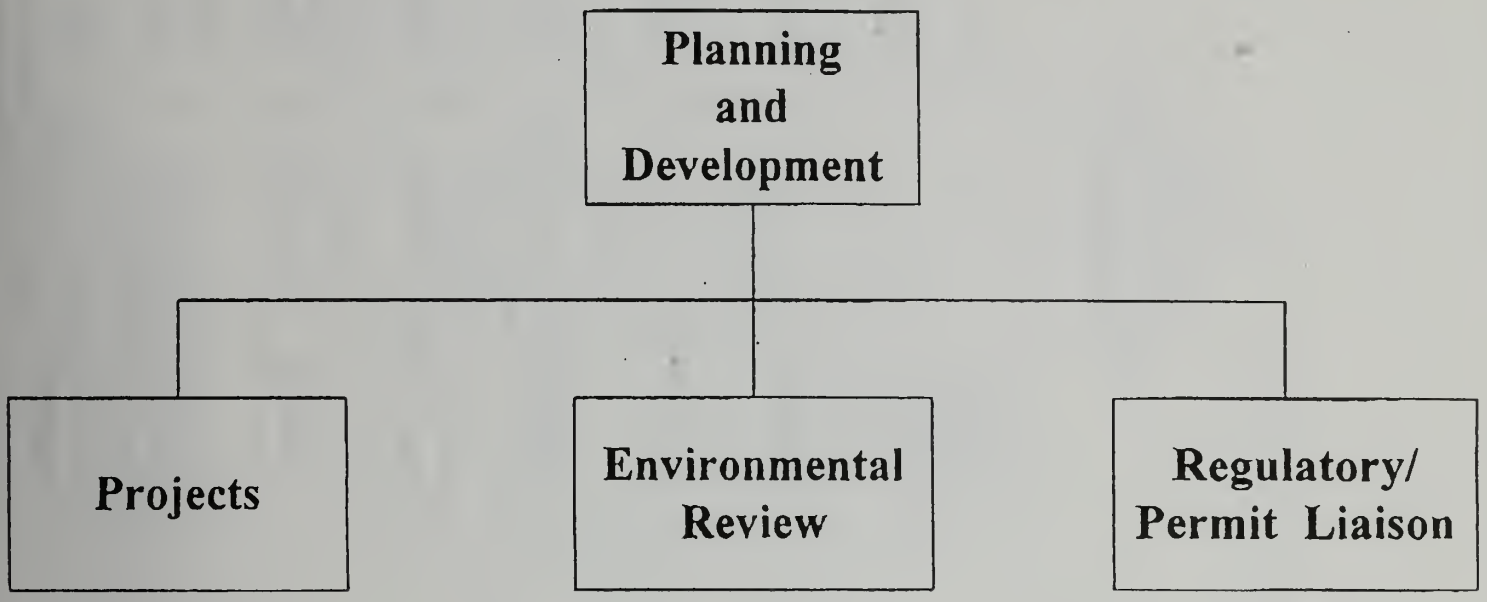
I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of March 22, 1994.

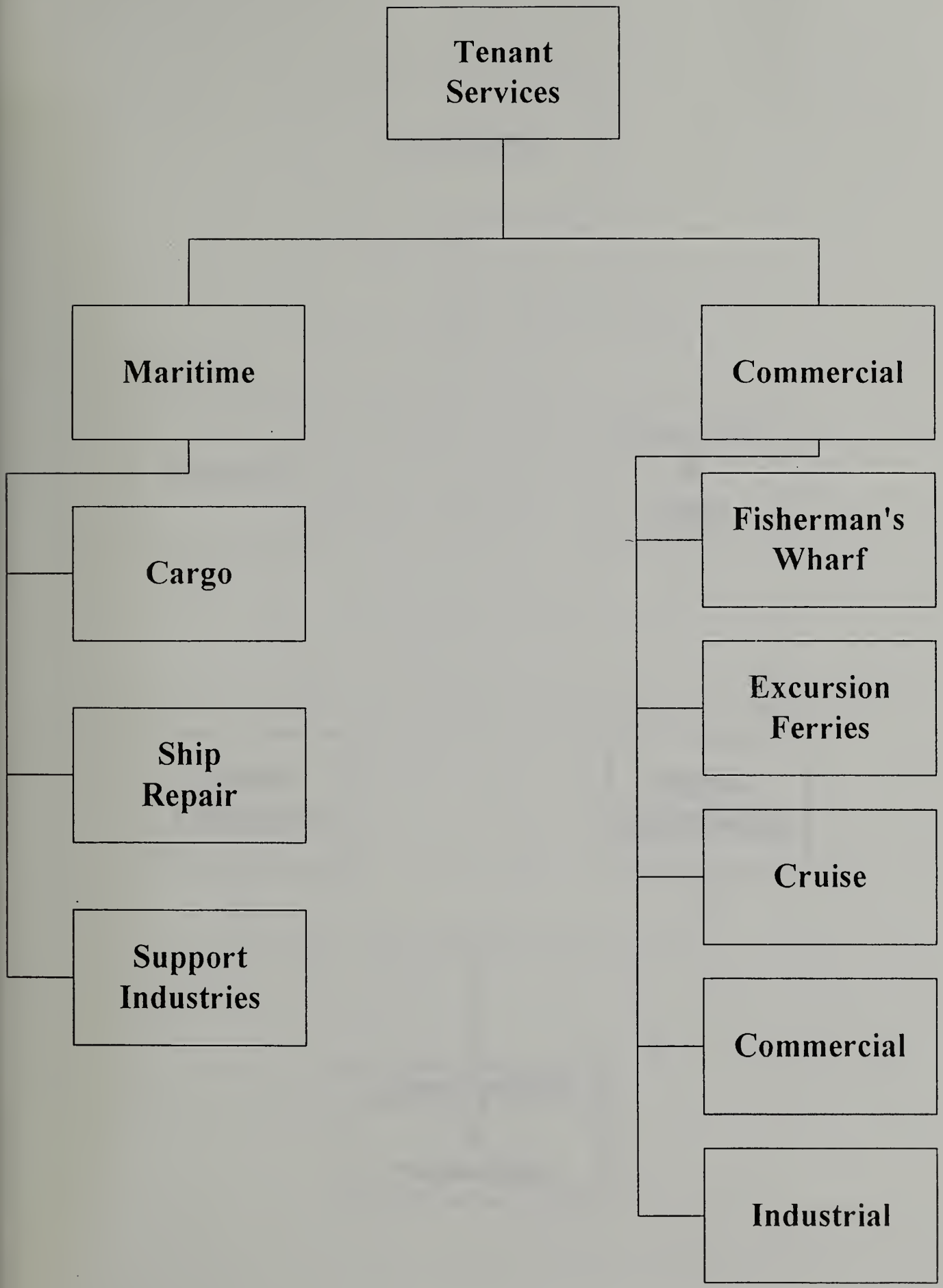
_____
Secretary

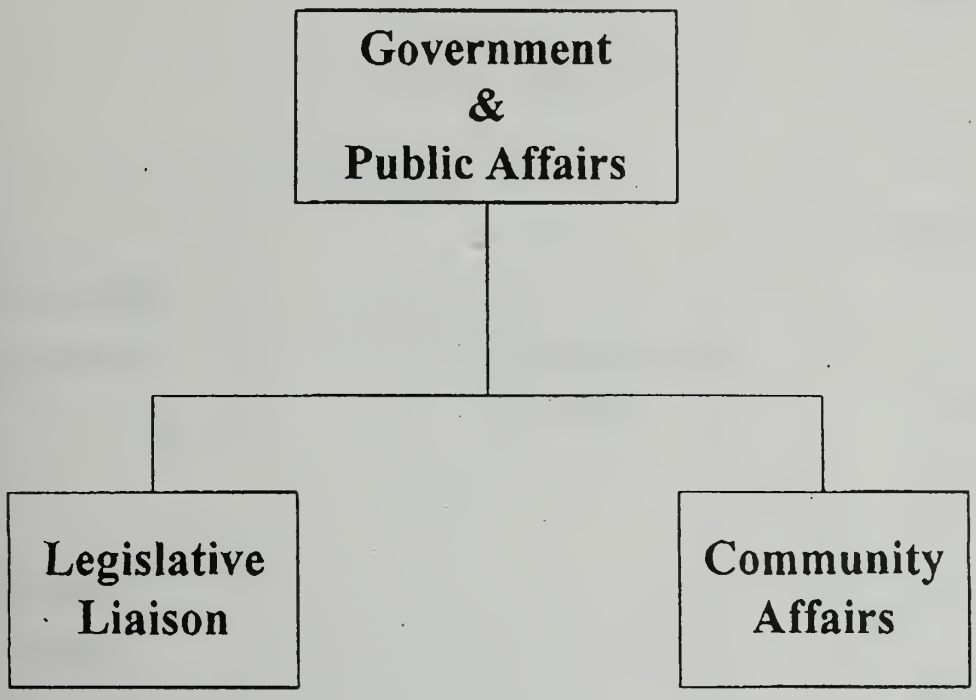

Port Commission
Executive Director
Counsel
Administration
Facilities and Operations
Planning and Development
Tenant Services
Government and Public Affairs
Marketing


Administration
Business/ Financial Planning
MIS
Personnel
Business Services
Budget
Financial Planning
Accounting
Network
Mini Computer
EEO Compliance
Administration
Purchasing
Mail
Reception
Storekeeping
Payroll
General Ledger
Billing Revenue
Accounts Payable
Collections


Facilities & Operations
Engineering
Safety
Scheduling & Control
Maintenance
Architecture
Civil
Electrical
Mechanical
Inspection
Safety
Industrial Hygenist
Maintenance Planning
Cranes
Electrical
Plumbing
Carpenter
Sheet Metal
Roofing
Pile Work
Machinist
Laborer
Painting
Stationary Engineer
Auto
Paving
Truck Driver
Iron Work
Other Maintenance


Planning and Development
Projects
Environmental Review
Regulatory/ Permit Liaison


Tenant Services
Maritime
Commercial
Cargo
Ship Repair
Support Industries
Fisherman's Wharf
Excursion Ferries
Cruise
Commercial
Industrial


Government
&
Public Affairs
Legislative
Liaison
Community
Affairs

Marketing
Research
Promotion
&
Sales

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

March 11, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Authorization to enter into a five-year lease with Tidewater Sand and Gravel, Inc. for 101,900 square feet at Seawall Lot 352 for sand reclamation and distribution.

DIRECTOR'S RECOMMENDATION: RESOLUTION TO APPROVE A LEASE TO TIDEWATER SAND AND GRAVEL, INC.

Tidewater Sand and Gravel, Inc. has been operating its sand reclamation and distribution business on a 2+ acre parcel at the mouth of Islais Creek since 1980. In order to continue satisfying their customer's long term needs, Tidewater wishes to enter into a standard lease with the Port for a five year period. They are presently operating on a month to month basis as their previous lease has expired. Tidewater has agreed to an approximate forty percent increase in rent.

THIS PRINT COVERS CALENDAR ITEM NO. 4A

Port staff is presenting this standard lease before the Port Commission due to a modification to the standard lease language pertaining to pre-existing hazardous materials. Pursuant to this agreement, the Tenant will not be responsible for handling or removal of pre-existing hazardous materials on the Premises prior to October 1, 1980, provided that the Tenant does not handle or distribute any pre-existing hazardous materials. In the event pre-existing materials are handled and distributed by Tenant, Tenant shall be responsible for complying with all environmental laws, including all costs associated with proper legal disposal.

The business terms of the proposed lease are in accordance with the Port Commission's established schedule of rates.

PREMISES: Approximately 101,900 square feet parcel at Seawall Lot 352, subject to an existing easement.

Prepared by: Roger L. Peters

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-39

RESOLVED, that this Commission has approved a Lease to Tidewater Sand and Gravel, Inc, of approximately 101,900 square feet of area at Seawall Lot 352, for a term of five years at an initial minimum of $15,285.00 monthly, in accordance with all the terms and conditions of said lease, a copy of which lease is on file with the Commission Secretary.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of March 22, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

March 22, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Authorization to Issue Request for Proposals to Lease Mission Rock Resort located at 817 Terry Francois Blvd.

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ISSUE A REQUEST FOR PROPOSALS TO LEASE MISSION ROCK RESORT.

Description of Site and Current Operation

The premises comprise approximately 41,369 square feet of restaurant space, land and water. (A site plan of the premises is attached.) The existing restaurant, which contains approximately 4,000 square feet including outdoor decks, serves breakfast, lunch and cocktails. The eating areas, which are located both indoors and outdoors on two levels, have commanding views of San Francisco Bay. The marina provides recreational berth space for approximately twenty-eight small boats. Pricing for food, beverage and vessel berthing is moderate. The current tenant operates Mission Rock Resort on a hold over basis.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

Goal of Request for Proposals

The goal of this Request for Proposals ("RFP") is to identify the best tenant who will:

1) Operate a successful restaurant/marina operation under a net lease;
2) Maximize revenues to Port;
3) Commit to investment in the premises bringing the restaurant and marina into compliance with all regulatory codes;
4) Improve the appearance and street appeal of the operation;
5) Provide an exciting new resource for the public which will optimize public enjoyment of the waterfront; and
6) Design an operation which retains the character of a San Francisco waterfront gathering place.

Business Terms for Proposed Lease

Premises:	41,369 square feet of restaurant, marina, water and land space delivered in its "as is " condition.
Term:	Fifteen years
Effective Date:	Six business days following approval by Board of Supervisors and signature by Mayor.
Rent Commencement:	Minimum monthly rent commences on the first day of the sixth month of the term. This rent commencement date is proposed to allow for the regulatory permitting process and the completion of the required and proposed tenant improvements. Percentage rent commences the earlier of the date the tenant opens for business or the first day of the sixth month of the term.
Use:	Public restaurant and a recreational marina, with optional uses to include live entertainment, not more than 400 square feet of retail space, transient recreational berthing and small boat rental. Other uses consistent with existing regulations will be considered, but a private club will not be permitted.
Base Rent:	To be proposed - Not less than $5,000 per month
Adjustments:	Base rent subject to CPI adjustment every three years.
Percentage Rent:	Seven percent of gross receipts
Type of Lease:	Net lease using Port's standard form lease document.

Required Improvements

The following required improvements must be completed prior to issuance of an occupancy permit by the Port:

Building Improvements

1) Cure all code violations including but not limited to plumbing, electrical and other structural elements of the building;
2) Replace second floor deck in present or modified configuration;
3) Replace majority of roof, gutters and downspouts;
4) Make cosmetic improvements to exterior of building;
5) Paint/stain exterior and interior of building; and
6) Install new floor treatments.

Marina Improvements

1) Cure all code violations;
2) Replace or refoam floats;
3) Replace pilings as needed;
4) Bring water and electricity to head of each gangway; and
5) Install railing on the water's edge and on gangways.

Tenant shall be required to comply with the Americans with Disabilities Act and Title 24 of the California Building Code.

Regulatory Requirements

The Tenant shall be responsible for obtaining all necessary permits at its sole cost.

Evaluation Criteria

Minimum Qualifications

1) Five consecutive years of experience operating a comparable restaurant within the past ten years;
2) Sound financial standing and ability to perform the financial obligations of the lease; and
3) Meet Port's standard criteria for credit worthiness.

Selection Criteria

1) Minimum Base Rent Proposal - 35 points
2) Experience/Qualifications - 30 points
3) Business Plan - 35 points

Business Plan evaluation will include reasonableness of cash flow proforma, expected percentage rental payments, type and amount of improvements, source of capital, feasibility of proposed uses, management and operational structure, and reasonableness of time schedule.

4) Up to 5 preference points may be granted to certified MBE/WBE firms or joint ventures.

Affirmative Action

The provisions of Chapters 12B and 12C of the San Francisco Administrative Code have been incorporated into the RFP which will require the tenant to implement an affirmative action plan to ensure equal employment within its operation. The Port strongly encourages small, local, women and minority owned businesses to participate in the RFP process.

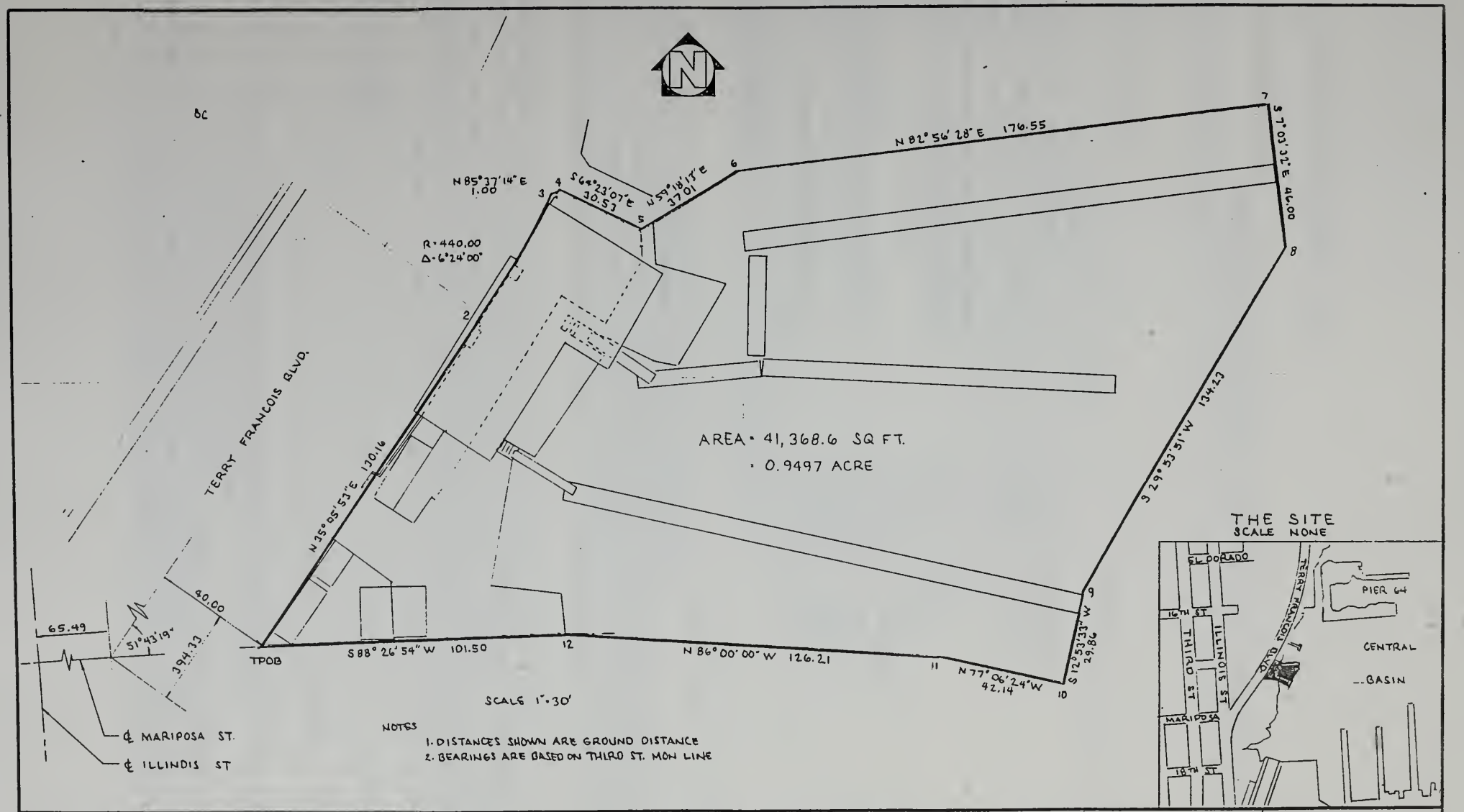
The successful proposer will be required to use its good faith efforts to contract with certified MBE and WBE firms to perform the required and tenant proposed improvements. The lease will contain an appropriate MBE and WBE participation goal for the construction of improvements included in the proposal.

Projected RFP Schedule

Commission authorization to issue RFP	March 22, 1994
RFP issued	March 30, 1994
Outreach and advertising commences	March 30, 1994
Site tours	April 19 & 21, 1994
Pre-Proposal Conference/site tour	April 27, 1994
Deadline for submittal/proposal opening	May 24, 1994
Oral presentation of selected proposers	June 8, 1994
Commission awards lease	June 28, 1994
Board of Supervisors approval (approximate)	August 16, 1994
Lease commences (approximate)	August 24, 1994

Prepared by: Kirk Bennett, Acting Director, Tenant Services

EXHIBIT A



NO.	DATE	DESCRIPTION	BY

TABLE OF CHANGES
CHECK TRACING FOR LATEST REVISION

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

CHIEF HARBOR ENGINEER

SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

EXHIBIT "A"
MISSION ROCK RESORT

DESIGNED BY:	CHECKED BY:
DRAWN BY: ECC	DATE: MAR 8 1994
CONTRACT NO.	SCALE: AS SHOWN
DRAWING NO.	SHEET NO. OF SHEETS

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-41

WHEREAS, Charter Section 3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, restaurant and marina operations generate a significant revenue stream to the Port and the Port desires to operate its restaurant and marina sites in an efficient manner which maximizes revenues; and

WHEREAS, there is a demand for waterfront gathering places which offer restaurant facilities and public marinas; and

WHEREAS, the Mission Rock Resort has the potential to better meet this demand for waterfront gathering place;

RESOLVED, that the San Francisco Port Commission authorizes staff to offer through a request for proposal (RFP) process a fifteen-year lease for the Mission Rock Resort site located at 817 Terry Francois Boulevard in accordance with the terms set forth in the Memorandum to the Port Commission for this Resolution.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of March 22, 1994

_____
Secretary

I:\users\tenant\wp51\agendas\mission.res\KB\cp\March 11, 1994

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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Fax 415 274 0528
Cable SFPORTCOMM
Writer

March 22, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

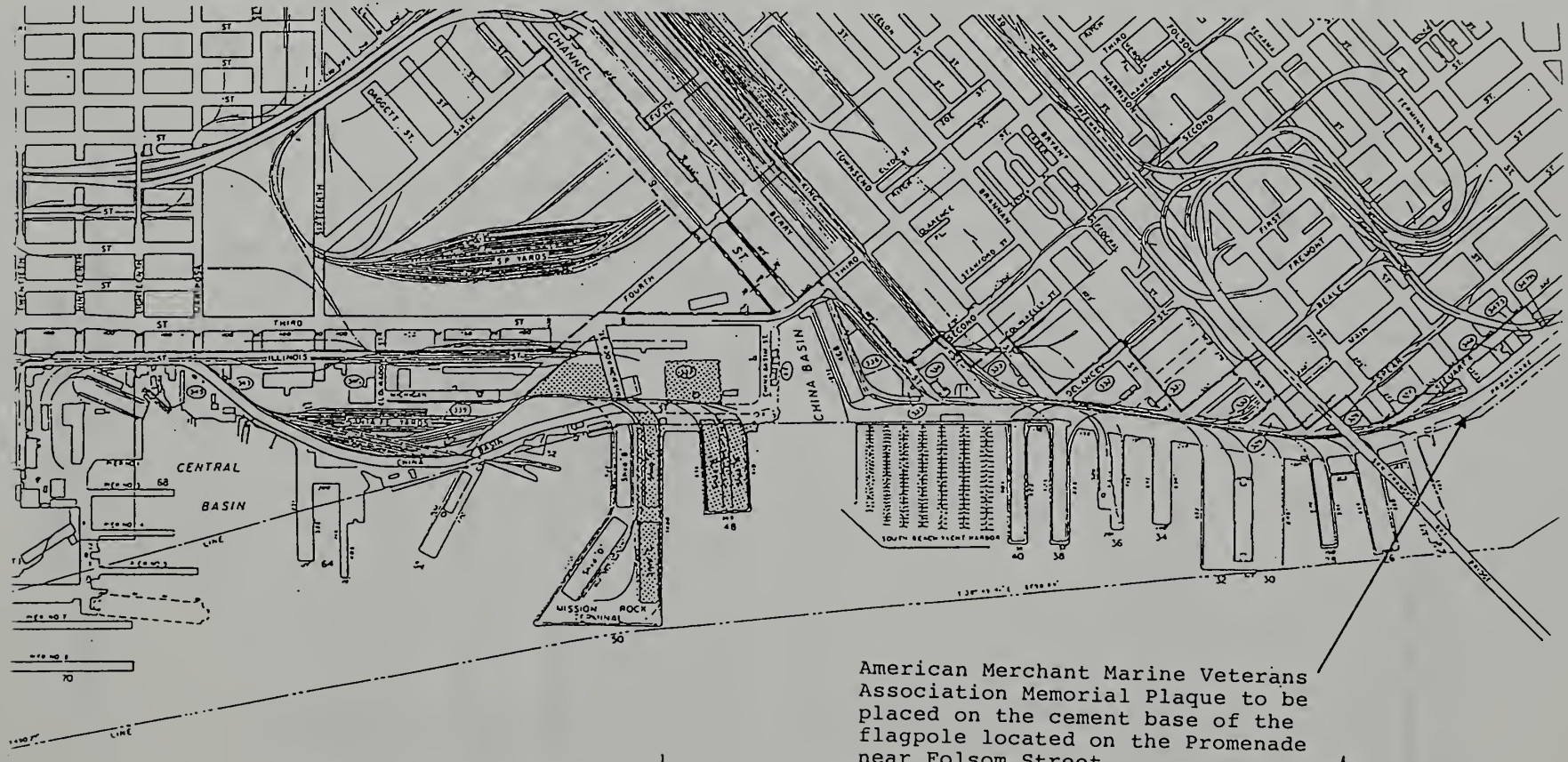
SUBJECT: Authorization to Enter into a Month-to-Month Agreement with the American Merchant Marine Veterans Association for a Memorial Plaque at the Flagpole located on the Promenade.

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A MONTH-TO-MONTH AGREEMENT WITH THE AMERICAN MERCHANT MARINE VETERANS ASSOCIATION, ON A FORM APPROVED BY THE CITY ATTORNEY, WHICH INCORPORATES THE PROVISIONS DESCRIBED IN THIS MEMORANDUM.

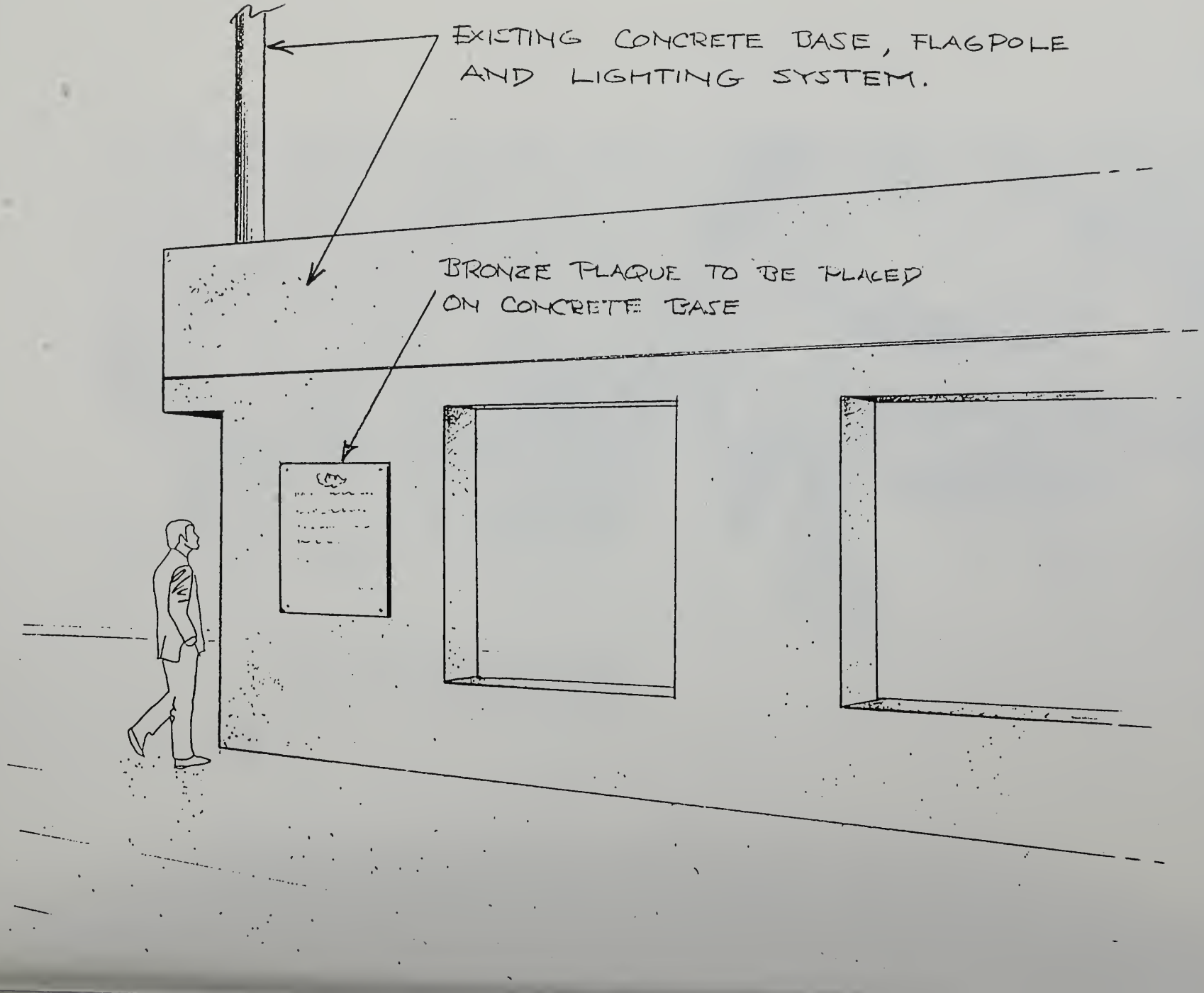
The Golden Gate Chapter of the American Merchant Marine Veterans Association ("the Association") proposes to place a 30" x 36" bronze plaque on the cement base of the flagpole located on the Promenade near Folsom Street. The Plaque would be a memorial to merchant marines who served in World War II. (Attached is a site plan that indicates the location of this flagpole and a rendering that illustrates the proposed placement of this plaque). The Association also proposes to fly and maintain an all-weather American flag on the existing flagpole, twenty-four hours a day, and to illuminate it with the existing light fixtures.

The Association would enter into a month-to-month agreement, which would provide for a rental of one dollar per month as consideration. This lease would also provide that the Association would be responsible for all expenses associated with the memorial, including installation costs, monthly electricity charges and all maintenance and repairs, including vandalism control.

THIS PRINT COVERS CALENDAR ITEM NO. 5B



American Merchant Marine Veterans Association Memorial Plaque to be placed on the cement base of the flagpole located on the Promenade near Folsom Street.


EXISTING CONCRETE BASE, FLAGPOLE AND LIGHTING SYSTEM.
BRONZE PLAQUE TO BE PLACED ON CONCRETE BASE

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-42

WHEREAS, the Golden Gate Charter of the American Merchant Marine Veterans Association desires to place a bronze plaque on Port property as a memorial to Merchant Marines who served in World War II; and

WHEREAS, this Commission agrees that the proposed site is appropriate for this memorial;

RESOLVED, that the San Francisco Port Commission hereby authorizes the Executive Director to execute a Month-to-Month Agreement with the American Merchant Veterans Association on a form approved by the City Attorney, to install and maintain a memorial plaque at the flagpole located on the promenade, in accordance with the terms set forth in the Memorandum to the Port Commission for this Resolution.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of March 22, 1994.

_____
Secretary

I:\users\tenant\wp51\agendas\merchant.res\KB\cp\March 14, 1994

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
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Fax 415 274 0528
Cable SFPORTCOMM
Writer

March 22, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Authorization to award to Pier 32 Market Inc. the Exclusive Right to Negotiate a Lease for an Arts and Crafts Market on Pier 30-32, Located on The Embarcadero between Bryant and Brannan Streets.

DIRECTOR'S RECOMMENDATION: AWARD TO PIER 32 MARKET INC. THE EXCLUSIVE RIGHT TO NEGOTIATE A LEASE WITH TERMS WHICH ARE CONSISTENT WITH THE OFFER OUTLINED IN EXHIBIT B TO THIS MEMORANDUM, SUBJECT TO ALL REQUIRED PERMITS AND APPROVALS BEING OBTAINED BY PIER 32 MARKET INC.

On February 8, by Resolution No. 94-21 the Port Commission authorized Staff to negotiate a pilot program for an arts and crafts market on Piers 30-32. Since that authorization, staff has done outreach to solicit proposals from M/WBEs as well as from other parties who might be interested in operating the program. In addition, Staff has done considerable outreach to explain the proposed program to the community, as summarized on Attachment A.

Two proposals were received. One was received from Pier 32 Market, Inc., whose principals are David Weiss and Randy McEwan (the "Weiss/McEwan proposal"); the other was received from Market on the Pier, whose principal is David Polatnick (the "Polatnick proposal"). Staff met several times with both parties to clarify and refine the proposals. While Polatnick's original proposal was unresponsive, after two resubmittals it now meets the Commission's parameters as to its basic terms. The proposals in their present form are outlined and compared in Attachment B.

THIS PRINT COVERS CALENDAR ITEM NO. 5C

While both proposals have merit, Staff believes that the Weiss/McEwan proposal better fulfills the Port's short term goals for the pilot program in terms of both concept and feasibility.

Concept

The Weiss/McEwan proposal has clearly and consistently focused on the sale of original arts and crafts by the producers of the items or their employees. There would be no secondhand goods for sale except antiques and other special cases as defined by the market's review board. All products, including prepared foods, would require pre-approval by the review board prior to the day of sale. Items similar to those retailing along the Embarcadero (including Pier 39 and Fisherman's Wharf) would not be approved for sale. No produce would be sold.

The Polatnick proposal, on the other hand, designates only 200 vendor spaces (out of a projected 543) in the pre-screened "juried area" devoted to original arts and crafts, antiques and fine collectibles. The "non-juried" remainder will allow a broad range of new and used items to be sold after an on-site inspection on the day of sale. Although the proposal expresses willingness to cooperate with the operators of the Ferry Plaza Farmers Market, fresh produce is an important element of the Polatnick proposal. This proposal thus appears to have a greater potential for conflict with the Ferry Plaza Farmers Market and other existing merchants along the waterfront, as well as with the contemplated market place at Fisherman's Wharf.

The Weiss/McEwan proposal also has a more clearly developed plan for the design of the market. The market will supply uniform tents and booths for vendor displays. The Polatnick proposal anticipates the majority of vendors supplying their own display racks or booths.

Feasibility

Permitting. The Weiss/McEwan group has progressed much further in the environmental process. They have engaged an attorney who is expert in shepherding projects through the City's permitting process. They have completed a parking survey and have a traffic study underway. Their parking survey identifies over 5,000 existing parking spaces which are either within sight of the pier or would be served by shuttle busses to and from the pier. They have done extensive outreach to explain their concept and gain community support. The Polatnick group is less advanced in these areas. The Polatnick proposal also poses additional permitting problems as the admission fee may be viewed as restricting the public access which the BCDC permit will most certainly require.

Budget. Both proposers were asked to submit budgets for planned improvements and operations. The Weiss/McEwan budgets are complete, specific, and appear realistic. The construction budget is based on actual bids obtained by the developers. Their operating budget demonstrates a thorough plan which provides for parking, maintenance and security during both operating and non-operating hours. The Polatnick budgets are more general and incomplete. Some of the improvements outlined in the proposal (e.g., paving) are not shown in the construction budget. The operating budget is non-specific and does not demonstrate a well developed operating plan. Many key areas of concern, including security and maintenance, are not addressed in the budget, while the budget for other areas appears to be unrealistically low for adequate coverage.

Conclusion

Staff's recommendation that the Exclusive Right to Negotiate be awarded to Pier 32 Market Inc. is based on its belief that the Weiss/McEwan proposal is more responsive than the Polatnick proposal to the Commission's concerns in the following areas:

1. The Weiss/McEwan use is limited to an arts and crafts market which has less potential for conflict with existing markets and other merchants in the area;

2. The Weiss/McEwan proposal is more advanced in regard to design of the market and proposes a more orderly appearance; and

3. The Weiss/McEwan group has more completely addressed the community's concerns about traffic and parking.

In addition, staff believes the Weiss/McEwan market could be operational two to four months sooner than the Polatnick proposal and has a greater likelihood of success.

As soon as the Weiss/McEwan group is awarded the Exclusive Right to Negotiate, they will submit formal permit applications and will start preliminary improvements. The permitting process will include environmental review, which will provide for public comment. It is anticipated that the permitting and improvements will require three to four months to complete. The opening of the market is thus targeted for early August. This coincides with the completion of the Waterfront Transportation Project in the area of Pier 30-32.

Prepared by: Kirk Bennett

I:\wp51\agendas\market.mem\DS/jef

PIER 30-32 ARTS AND CRAFTS MARKET
Summary Community of Outreach Program

1. Staff has reviewed the proposed program with the operators of the Ferry Plaza Farmers' Market and with other Port tenants. The response has been overwhelmingly positive among our tenants, who welcome the idea of an attraction which will bring more people to the waterfront on weekends. Outreach to other businesses in the area (non-Port tenants) will be completed the week of March 14.

2. A mailing or FAX will be sent to the residents and business people of South Beach addressing the planned mitigation of the neighborhood issues involving primarily parking and traffic. The FAX will also explain that all activities will be subject to the proper clearances, including environmental review, at which time neighborhood issues will be fully addressed.

3. Presentations providing an explanation of the project and the opportunity for questions were made to the Rincon Point/South Beach CAC and the Port PR Round Table. The Waterfront Plan Advisory Board will receive an informational mailing the week of March 14 and will have an opportunity for questions at their April 5 meeting.

ATTACHMENT A

COMPARISON OF PIER 30-32 MARKET PROPOSALS

Both proposals comply with the general parameters set by the Port Commission regarding the definition of premises, term, use, days of operation (Saturdays, Sundays and holidays) and responsibility for permitting, improvements, and maintenance.

Both entities propose a mix of 350-500 vendors selling primarily originally produced arts and crafts, prepared foods and various other items as outlined below. Both propose to have a review board or jury to qualify vendors as to their quality and type of wares and verify business licenses, etc. Both propose to supplement vendor booths with a variety of entertainment, including performers, music and special events.

The other components of the proposals are compared as follows:

	Pier 32 Market Inc.	Market on the Pier
Developers	David Weiss Randall McEwan	David Polatnick
Developer Qualifications	**Weiss**: Developer and retail consultant. Experience in special events & fundraising as Director of Nat'l Kidney Foundation. **McEwan**: Homebuilder. Former Director of Portland Review Board for NW District Assn. Helped to organize Saturday Market.	Marketing consultant. Develops strategies to improve the value of distressed commercial real estate.
Financial Partners	Augustus Puglia George Lyons	Irving Rabin Robert Friend Eugene Friend Richard Lippe Jack Polatnick
Financial Qualification	Financial statements received from three of four partners.	Financial statements received from two of six partners.
Rent	$25,000/mo vs. 7%	15% vs $324,000/yr
Price for Right to Negotiate	$25,000	$4,000/mo. for 4 months; negotiate if extension required.

Financial Security	Letter of Credit equal to 6-12 mo rent.	Bond equal to 6 months rent.
Improvements	Electrical upgrade and lighting ($40K); sewer connection and 2" water line to rest room trailer ($20K); paving ($20K); railings ($25K). Tenant will lease canvas pavillion and satellite tents, stage and equipment.	Electrical upgrade ($37K); restrooms ($37K); resurface pier (*); ticket booth ($10K); decorative fence (*). (*No budget breakdown provided for these items.) Proposer requests waiver of Port fees
Appearance	Will provide uniform display space in tents and outdoor booths. Some vendors may be allowed to use own awnings or structures if review board approves.	Maritime theme. Vendors supply own booths to Market design standards; tables, chairs available for rent.
Merchandising Standards	Review board pre-approves all items, including food.	Review board pre-approves juried items; non-juried items visually inspected and approved at site on sale day.
Products Sold	Original arts and crafts; prepared foods for consumption at the market; no produce; no secondhand goods except as classified by review board as antiques or other special types. **Exceptions:** Non-profit groups and physically disabled vendors may sell pre-approved manufactured items. Special approval may be given for overruns of decor objects (ltd. to 10% of vendor base).	**Juried Area**: Original arts and crafts, antiques and rare collectibles. **Non Juried Area:** Crafts, furniture, collectibles, jewelry, fabrics, flatware, books, accessories, artwork, clothing, gifts, food, nuts, candy, non-profit groups. Some produce.

Marketing	Budget of $40,000/mo includes media exposure, community interaction, non-profit events and advertising	Promotional budget of $525,000 for first 18 months (incl. setup period).
Admission Fees	None	$1/person; 50% to benefit Delancey Street Foundation.
Attractions and Special Events	Proposer hopes to display visiting ships/water sports demonstrations as added attractions.	Proposer plans special theme days, e.g., Autumnfest, photo fair, fish festival, etc.; also special classes and educational demonstrations
Parking and Traffic	Proposer budgets $10,000/mo. for five shuttle busses between market and parking lots with total capacity of 5,000 cars.	Proposer requests right to park cars at Piers 1 and 3 (capacity 416 cars); budgets $1,000/mo for shuttle busses along the Embarcadero.
Security	24-hour presence. Budget of $4,000/mo includes day patrols, night watchmen, supervision.	Proposer will use Delancey Street program for security.
Maintenance	$16,000/mo budget includes 5 ground crew; 7 maintenance staff	Budget of $4,000/mo; staff unspecified. Exhibitors must bag and deposit trash.
Other/Misc.	Proposer has submitted Affirmative Action Plan which indicates commitment to diversity in vendor and employee workforce. Vendors may not sell items similar to those retailing in the Embarcadero area, including Pier 39 and Fisherman's Wharf.	Proposer intends to involve Delancey Street Foundation through staffing, job training and revenue sharing. Proposer requests exclusivity and first right of refusal on any other space on Pier 30-32.

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-50

WHEREAS, on February 8, 1994, by Resolution No. 94-21 the Port Commission authorized Staff to negotiate a pilot program for an arts and crafts market on Piers 30-32; and

WHEREAS, pursuant to said Resolution No. 94-21 Staff did outreach to solicit proposals and received two such proposals from prospective developers and operators of such arts and crafts market; and

WHEREAS, Staff has evaluated the proposals received and finds that the Pier 32 Market, Inc. proposal most completely meets the Commission's goals for said pilot program; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby grants to Pier 32 Market, Inc., whose principals are David Weiss and Randall McEwan, the exclusive right to negotiate a lease for an arts and crafts market on Pier 30-32 with terms which are consistent with the Commission's parameters and the Pier 32 Market, Inc. proposal as outlined in the Memorandum hereto, subject to all required permits and approvals being obtained by Pier 32 Market Inc.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of _____

_____
Secretary

I:\wp51\tenant\agendas\market.res\DS/jefMarch 15, 1994

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

March 15, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Professional Services Contract No. SA3930006. "Ferry Plaza and Pier 27/29, Earthquake Damage Repair Design" Approval to Execute Phase II

DIRECTOR'S RECOMMENDATION: STAFF RECOMMENDS THAT THE COMMISSION AUTHORIZE STAFF TO EXECUTE PHASE II OF THE PROFESSIONAL SERVICES CONTRACT NO. SA 3930006 WITH WINZLER & KELLEY/AGS, AN ASSOCIATION, FOR $716,101.

The Port issued a Request for Proposals (RFP) for the Ferry Plaza and Pier 27/29, Earthquake Repair Design, with consultant work to be performed in two phases. The selected consultant was first to perform Phase I work, and after this phase was completed, the Port was to negotiate Phase II work.

Winzler & Kelly/AGS, an Association, was the highest scoring consultant and the Port Commission by Resolution No. 93-64, authorized the award of this contract to that consultant. All Phase I work totaling $70,055 was fully funded by FEMA/OES at no cost to the Port.

THIS PRINT COVERS CALENDAR ITEM NO. 6A

agda-94.43

The consultant has completed its Phase I tasks which included preparing a summary report outlining its recommended method of repair, preparing an estimate of the facilities' repair construction cost and obtaining written approval for that recommended repair method from the Bay Conservation and Development Commission (BCDC).

Per the conditions of the RFP, the Port and the consultant have negotiated Phase II of the contract which includes a detailed structural analysis, final design, preparation of contract bid documents, review services during the construction phase and an independent third party peer review. To confirm that the tasks were appropriate, Port staff reviewed the proposed work with other independent consultants. Port staff further reviewed this work with FEMA engineers who also confirmed that the tasks involved and the cost is appropriate. FEMA and OES have validated their opinions by preparing a draft Damage Survey Report (DSR) for the full amount of Phase II consultant work which is $716,101. This work will be at no cost to the Port.

Costs are as follows:

Final structural analysis and design:	$663,901
Construction stage review services:	$ 40,200
Third party peer review:	$ 12,000
TOTAL:	$716,101

The Phase II work will begin in approximately two weeks and bid documents will be ready in 360 calendar days.

The estimated construction cost to repair these facilities is $6,000,000 and it is expected that FEMA/OES will also fund this work at no cost to the Port.

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-43

WHEREAS, the Port issued a Request for Proposals for the Ferry Plaza and Pier 27/29, Earthquake Repair Design, with consultant work to be performed in two phases, and

WHEREAS, the consultant to whom the work was awarded has completed Phase I of professional services Contract No. SA3930006, and

WHEREAS, the conditions of the RFP were that Phase II work would be negotiated at the completion of Phase I, and

WHEREAS, the Port has negotiated Phase II work, and

WHEREAS, FEMA and OES have issued a draft Damage Survey Report for the total cost of the Phase II work, therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes staff to execute Phase II to professional services Contract No. SA3930006 with Winzler & Kelly/AGS, an Association at a cost of $716,101.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of _____

_____
Secretary

agda-94.43

PORT OF SAN FRANCISCO

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MEMORANDUM

March 15, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Contract 2597, Fisherman's Wharf Sidewalk Improvements, Authorization to Award Contract

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION APPROVE THE AWARD OF CONTRACT No. 2597 TO THE LOWEST RESPONSIVE BIDDER AND TO AUTHORIZE THE AVAILABILITY OF A TEN PERCENT CONTINGENCY FUND FOR POSSIBLE CONTRACT MODIFICATIONS.

The Port Commission by Resolution 94-32 authorized staff to advertise for bids for the Fisherman's Wharf Sidewalk Improvements. The engineer's cost estimate is $200,000.

The Port's objective is to begin work as soon as possible and to complete construction by May 1, 1994.

THIS PRINT COVERS CALENDAR ITEM NO. 6B

agda-94.48

To expedite the process, bids are scheduled to be opened on March 15, 1994, the same day that the Commission package is mailed. The Results of Bids will be provided by amendment and sent under seperate cover to the Commssion as soon as posible. A Resolution recommending award will be provided at the time of the Commission meeting.

It is anticipated that the Human Rights Commission will review the bid proposal of of the lowest responsive bidder and find it in compliance with Section 12D of the San Francisco Administrative Code.

The construction is scheduled to last 30 calendar days. Construction includes widening sidewalk, planting trees, and installing new street lighting.
At this time, staff recommends that the Commission authorize the award of the contract to the lowest responsive bidder.

Prepared by: Cliff Jarrard

PORT OF SAN FRANCISCO

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MEMORANDUM

March 14, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Hyde Street Harbor. Request authorization to apply for a time extension for the existing $3 million construction loan and apply for an additional construction loan from the California Department of Boating and Waterways.

DIRECTOR'S RECOMMENDATION: RESOLUTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO APPLY FOR AND ACCEPT A TIME EXTENSION TO AN EXISTING $3 MILLION LOAN AND APPLY FOR AN ADDITIONAL LOAN, FOR CONSTRUCTION OF THE HARBOR, FROM THE CALIFORNIA DEPARTMENT OF BOATING AND WATERWAYS.

Background. The Seafood Center project as developed in 1988, included substantial improvements to Pier 45 and a 88 berth harbor along the east side of the Hyde Street Pier. Subsequent to the 1989 earthquake, seismic repairs are underway at Pier 45 with funding from FEMA. Utilizing grants from NOAH, the Port is conducting a marketing and feasibility analysis for the Fisheries Institute, located in Sheds A and C on the east side of Pier 45. The remaining element of the Seafood Center is the Hyde Street Harbor.

Hyde Street Harbor Project Description. The Harbor project includes berthing for 88 boats, parking for 50 cars, a harbormaster's building with laundry and showers, a convenience store for fishermen, and a new fuel dock with a work hoist. The

THIS PRINT COVERS CALENDAR ITEM NO. 7A

cost of the project is estimated at approximately $8 million. In an effort to create a more financially feasible project, staff investigated a lower cost project alternative that achieves the overall project objectives as supported by the community. The reduced cost alternative would have a shorter pier with some parking on land rather than on the pier, and reuse the existing fuel dock instead of constructing a new facility. This alternative is estimated at $6.2 million. Both options will be studied in the upcoming environmental impact report.

Construction Loan. In 1989, the Port secured but has not drawn upon a $3 million construction loan for the project from the California Department of Boating and Waterways. The loan is for 30 years at 4.5 percent. The loan was originally secured for two years and has received an extension which will expire on May 1, 1994, but could likely be extended one more time if requested.

A requirement of the construction loan is that estimated revenues be able to support the payments. Current revenue projections indicate the project could support a loan of $4.8 million. The California Department of Boating and Waterways recently indicated that the Harbor may be favorably viewed for an additional loan. The attached resolution seeks permission to apply for a four year extension of the $3 million loan, and request an additional loan amount of $1.8 million.

Additional Project Funding. With a $4.8 million loan, a $1.4 million subsidy would be necessary to meet the estimated $6.2 million construction cost of the reduced cost project. Staff is currently seeking grant money to close the capital funding gap. No additional operating subsidies are anticipated throughout the life of the project.

Prepared by Sharon Lee-Polledri

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-53

WHEREAS, the Port Commission has adopted a development plan for revitalization of the commercial fishing industry at Fisherman's Wharf, including the provision of new vessel berthing facilities and provision of new shoreside fish distribution facilities, and

WHEREAS, the Port Commission has initiated an implementation plan for the Fisherman's Wharf development including detailed design of the harbor facilities and conducted a feasibility study which showed the harbor project to be feasible from an engineering perspective, and economically justified, and

WHEREAS, the California Department of Boating and Waterways has a program of implementation loans for vessel facilities known as the Smallcraft Harbor Development Loan Program that is available for construction of harbor facilities, and

WHEREAS, the California Department of Boating and Waterways granted a $3 million loan for the construction of the harbor at Fisherman's Wharf in 1989, that will expire on May 1, 1994; therefore be it

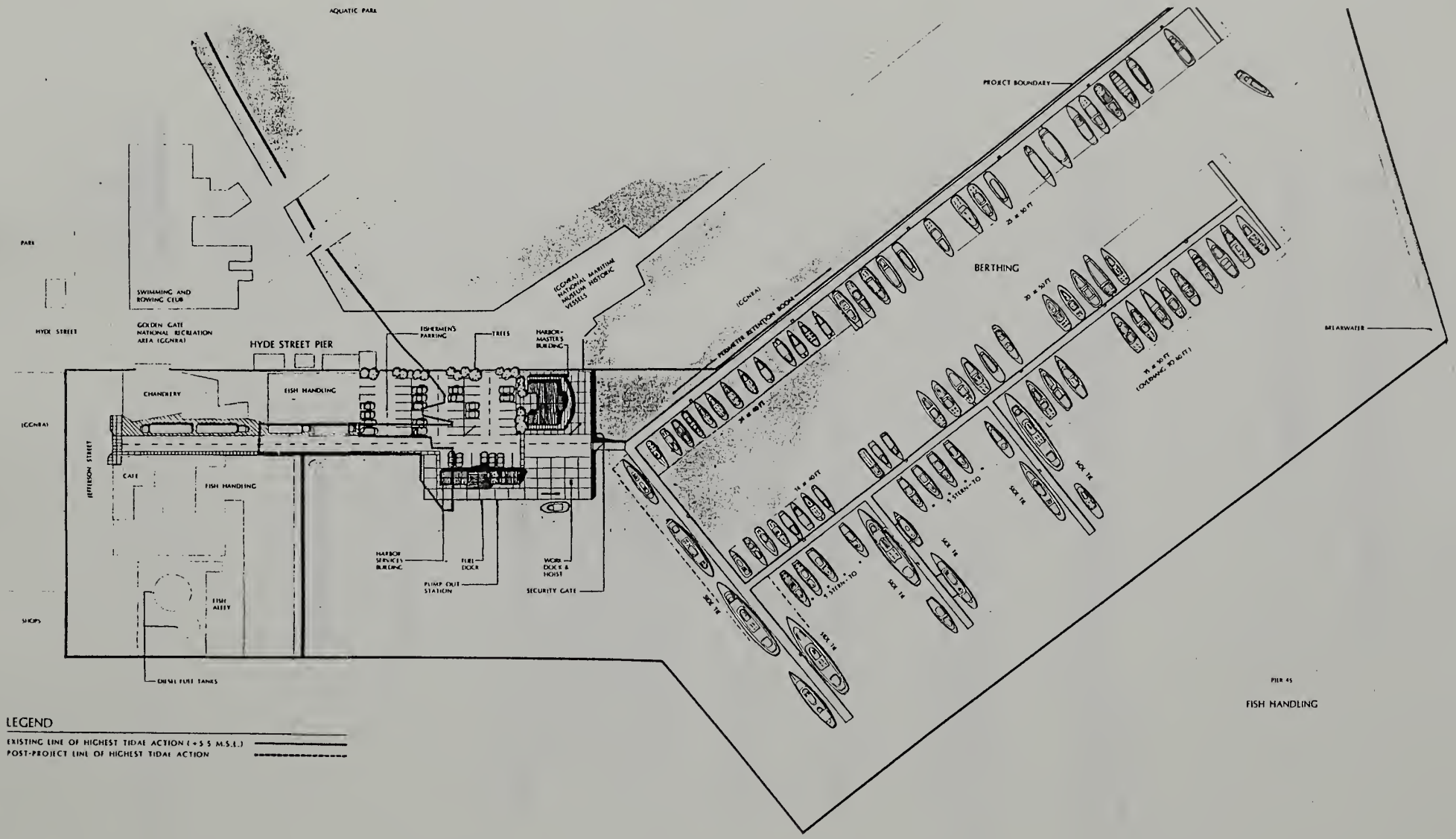
RESOLVED, that the Port Commission authorizes the Executive Director to apply for and accept an extension for up to four years of the existing $3 million loan for the harbor from the California Department of Boating and Waterways, and be it further

RESOLVED, that the Port Commission authorizes the Executive Director to apply for and accept an additional Small Craft Harbor Development Loan of $1.8 million for the construction of the harbor from the California Department of Boating and Waterways to finance in part, the construction of the Fisherman's Wharf Harbor Facilities, and be it further

RESOLVED, that the Port Commission respectfully requests the recommendation of the Mayor and the authorization of the Board of Supervisors to apply for and accept such a loan.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of _____

_____
Secretary



LEGEND

EXISTING LINE OF HIGHEST TIDAL ACTION (+5.5 M.S.L.)

POST-PROJECT LINE OF HIGHEST TIDAL ACTION

PROJECT SITE PLAN: LINE OF HIGHEST TIDAL ACTION

0 10 25 50 100 200 FEET

PORT OF SAN FRANCISCO

FISHERMAN'S WHARF

COMMERCIAL FISHING CENTER

MOFFATT & NICHOL / AGS, INC. / RWAN HENNE / STEVENS & ASSOC.

EXHIBIT "9"

PORT OF SAN FRANCISCO

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MEMORANDUM

March 15, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Refunds and Allowances Report - February 1994

DIRECTOR'S RECOMMENDATION: RECOMMEND APPROVAL OF REFUNDS AND ALLOWANCES REPORT.

Enclosed is a resolution for your approval of the February 1994 Refunds and Allowances Report.

Prepared by: John F. Conrad

THIS PRINT COVERS CALENDAR ITEM NO. 9A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-51

BE IT RESOLVED, That the Refunds and Allowances Report for the period ending February 1994 be approved.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of March 22, 1994.

_____
Secretary

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
February 28, 1994

	REVENUE TYPE	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS	TOTAL
	Cargo Service Division				
1.	Cargo Facility Rent				0
2.	Container Crane Rental	$ 310			$ 310
3.	Demurrage				0
4.	Dockage				0
5.	Facility Damage				0
6.	Miscellaneous Revenue				0
7.	Misc. Services to Tenants				0
8.	Security Deposits				0
9.	Service Charges		$ 16		16
10.	Wharfage - Cargo				0
11.	Wharfage - Non-Cargo				0
	Subtotal	$ 310	$ 16	$ 0	$ 326
	Tenant Service Division				
1.	Commercial Rent	6,068	8,389	$ 20,846	35,303
2.	Dockage			330	330
3.	Electrical Power Service	5	4,423	751	5,179
4.	Facility Damage				0
5.	Fishing Boats		230		230
6.	Fish Facility Rent				0
7.	Maritime Related Rent		4,853		4,853
8.	Misc. Services to Tenants				0
9.	Miscellaneous Revenue				0
10.	Parking Stalls		2,285		2,285
11.	Penalty Charges		425		425
12.	Percentage Rentals		4,738		4,738
13.	Permits				0
14.	Service Charges		472	3,516	3,988
15.	Security Deposits		14		14
16.	Ship Repair	34,960			34,960
17.	Wharfage - Non-Cargo				0
	Subtotal	$ 41,033	$ 25,829	$ 25,443	$ 92,305
	Total	$ 41,343	$ 25,845	$ 25,443	$ 92,631

ATTACHMENT 1

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
FEBRUARY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
CARGO SERVICE DIVISION						
CONTAINER CRANE RENTAL						
1. One (1) invoice under $500	471340		$ 310			$ 310
Subtotal CRAN			310	0	0	310
SERVICE CHARGES						
1. One (1) invoice under $500	471370			$ 16		16
Subtotal SERV			0	16	0	16
Total for Cargo Service Division			$ 310	$ 16	$ 0	$ 326

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
FEBRUARY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
TENANT SERVICE DIVISION						
COMMERCIAL RENT						
1. Okamoto, Rai	471278	To write-off various invoices as tenant is deceased and no probate has been filed in connection with estate per Legal Department.			$ 20,846	20,846
2. Cappa & Graham, Inc.	471279	Credit tenant 15% off rent for 11/1/93-12/9/93 due to lack of heat.	698			698
3. Jack Woods & Associates	471285	To credit February rental billing because tenant had cancelled lease since 11/30/93.		855		855
4. Jack Woods & Associates	472465	To credit March rental billing because tenant had cancelled lease since 11/30/93.		855		855
5. Simon & Unger	471294	To credit tenant for carpet & partition window installation expenses.	558			558
6. Kingston Constructors, Inc.	471302	To credit tenant for reduction of leases effective 12/1/93.		2,996		2,996
7. MFT Consulting Engineers	471310	To credit tenant portion of February '94 rent as tenant moved out on 2/4/94.		1,168		1,168
8. Metropolitan California Stevedore Co.	471337	To credit tenant for 12 days rent for use of Pier 35 for FESTA 1993.	2,522			2,522
9. O. C. Transport	472471	To cancel invoice #471371 because of miscalculation of rental amount by Property Manager. (Re-billed by invoice #472217 for $1,380).		1,134		1,134
10. Twenty (20) invoices under $500	Various		2,290	1,381		3,671
Subtotal CRNT			6,068	8,389	20,846	35,303
DOCKAGE						
1. One (1) invoice under $500	472462				330	330
Subtotal DOCT			0	0	330	330
ELECTRICAL POWER						
1. HSF Enterprises Inc.	471256	To issue credit for electricity usage because of overbilling for the period 10/23/92-4/11/93.		3,385		3,385
2. Barnes Construction	471321	To credit tenant for the electricity charges, as tenant is not required to pay for it during the construction period.		576		576
3. Okamoto, Rai	471278	To write-off various invoices as tenant is deceased and no probate has been filed in connection with estate per Legal Department.			751	751
4. Four (4) invoices under $500	Various		5	462		467
Subtotal ELEC			5	4,423	751	5,179

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
FEBRUARY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
FISHING BOATS						
1. Two (2) invoices under $500	Various			230		230
Subtotal FISH			0	230	0	230
MARITIME RELATED RENT						
1. Davis, Patrick	471330	To credit various invoices as tenant vacated space effective 7/1/93.		2,844		2,844
2. Harbor Bay Maritime, Inc.	471325	To credit customer because of miscalculation of rental amount by wharfinger.		1,703		1,703
3. One (1) invoice under $500	471318			306		306
Subtotal MRLT			0	4,853	0	4,853
PARKING						
1. Twenty seven (27) invoices under $500	Various			2,285		2,285
Subtotal PSTL			0	2,285	0	2,285
PENALTY CHARGE						
1. Twenty three (23) invoices under $500	Various			425		425
Subtotal PCHG			0	425	0	425
PERCENTAGE RENTALS						
1. Burger, Ken	471327	To credit tenant for adjustment of 3 1/2 months rent from Nov 1, 1992 to mid February 1993.		4,702		4,702
2. One (1) invoice under $500	471339			36		36
Subtotal PERC			0	4,738	0	4,738
SERVICE CHARGE						
1. Okamoto, Rai	471278	To write-off various invoices as tenant is deceased and no probate has been filed in connection with estate per Legal Department.			3,516	3,516
2. Four (4) invoices under $500	Various			472		472
Subtotal SERV			0	472	3,516	3,988

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
FEBRUARY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
SECURITY DEPOSITS						
1. One (1) invoice under $500	472464			14		14
Subtotal PREP			0	14	0	14
SHIP REPAIR						
1. San Francisco Drydocks	471353	To credit tenant for removal and disposal of cranes per settlement agreement.	34,960			34,960
Subtotal SHIP			34,960	0	0	34,960
Total for Tenant Service Division			$ 41,033	$ 25,829	$ 25,443	$ 92,305
TOTAL CREDIT MEMOS - FEBRUARY 1994			$ 41,343	$ 25,845	$ 25,443	$ 92,631

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SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

MINUTES OF THE MEETING
MARCH 22, 1994

1. **ROLL CALL**

Meeting was called to order by President Preston Cook at 4:15 p.m. Present were:

Commissioner Preston Cook
Commissioner James E. Herman
Commissioner Anne Halsted
Commissioner Francis J. O'Neill

Commissioner Ming Chang-O'Brien was absent.

2. **APPROVAL OF MINUTES**

ACTION: Moved by Commissioner Halsted; Seconded by Commissioner O'Neill
All Commissioners in favor, minutes adopted.

3. **EXECUTIVE**

A. Mr. Bouey, Executive Director, reported that the Port currently buys its electricity from PG&E. Starting July 1st, the Port will buy its power from Hetch Hetchy. The agreement provides that if Hetch Hetchy should charge more than PG&E, Port reserves the right to switch back to PG&E.

B. Resolution supporting refunding of Port Revenue Bonds Series A, Series B and Series C, in the amount approximately $50 million. The Port will replace its current bond resolution with a new bond indenture which will provide added financing flexibility. (Resolution No. 94-37)

Mr. Bouey indicated that at the last Commission meeting, staff described the benefits and advantages of refinancing the Port's existing bonds. This item authorizes staff to implement the refunding and sale of bonds. Ben Kutnick, Port's Finance Manager, as well as the Port's financial advisers were available to answer questions from the Commission.

Commissioner O'Neill noticed that on page 21 under budgetary process approximately $574,729 in costs appeared above the line. Commissioner O'Neill was curious if these monies could be moved below the line. Mr. Kutnick indicated that he will look into the matter. Commissioner O'Neill then inquired about the $1.9 million annual income listed on page 26 of the Preliminary Official Statement. His understanding was the Port would receive $1 million in annual income. Mr. Kutnick mentioned that there were two parts to the take down: first, approximately $1 million already was executed; the second part has not been executed and is at Catellus' option. Julie Van Nostern, Legal Counsel, concurred that the second part is, in fact, at the

option of Catellus. Commissioner O'Neill inquired about the fireboat operation listed on page 38 and wondered if the Port has responsibility for one or two fireboats. Mr. Kutnick indicated that the Port currently pays for the staffing and manning of one fireboat; however, the Port pays insurance and maintenance costs for both the Phoenix and the Guardian fireboats.

Commissioner O'Neill asked for the timetable on the bond issue. Mr. Kutnick indicated that the Port wants to close the transaction by June 30 to take advantage of the savings this year. At the next meeting, a resolution to select underwriters will be presented. A meeting with the rating agencies have been tentatively set for April 5 and April 8. Commissioner O'Neill wondered if the Port would be well-served if the underwriters were on board before meeting with the rating agencies. Commissioner O'Neill further indicated that since this is a story bond, underwriters may be able to tell the story better. Mr. Kutnick believed it's not absolutely necessary and would not have a significant effect to the Port. The underwriters are needed to tell stories to potential investors. Commissioner O'Neill agreed; however, he was concerned about the press not being favorable and rating agencies keeping clip sheets. Mr. Kutnick mentioned that the primary role of the Port's financial advisers is primary structuring the issue, helping Port staff to complete the documents and very importantly, the credit issues, particularly with the rating agencies and potential bond insurers. Mr. Kutnick believed they are capable of communicating the Port story and the issues and how the Port plans on addressing them to the rating agencies. Underwriters will be of significant help to the Port in selling the bonds. Mr. Kutnick emphasized the importance of moving forward as soon as possible as the interest rates keep rising.

ACTION: Moved by Commissioner Halsted; Seconded by Commissioner O'Neill. All Commissioners in favor, resolution was adopted.

C. Approval of the Port's 1994/95 Operating Budget. (Resolution No. 94-47)

Mr. Bouey indicated that as the Commission is aware, last fiscal year, the Port finished the year in the red over a million dollars. This fiscal year, left unattended, the Port's operating budget would have finished $700,000-$800,000 in the red. Mr. Bouey was pleased to report that Port staff had been able to make a number of changes on the expenditure side to ensure that as long as revenues hold steady, the Port will finish the year in the neighborhood of $300,000-$500,000 in the black. When the Executive Director approached this year's budget, he looked at making the organization as effective as possible. The budget as submitted was predicated upon the reorganization of the Port. The changes in the reorganization were done so for at lease one of two reasons: (1) to increase revenues and (2) to make the organization both more efficient and more effective.

Administration Division will possess only those business functions that support the Port; unlike Internal Services which has maintenance as well as business functions for example, Accounting. This division will include a budget and financial planning section as well as accounting, payroll, general ledger, etc.

Mr. Bouey believes that the Port's immediate future, in large part, depends, to a great extent, upon being able to do accurate financial planning. This division also includes MIS, Personnel, and Business Services.

Facilities and Operations. Under the current organization, Engineering and Maintenance are separated into three different divisions reporting to different managers. It lacks clarity as to which section is responsible for what; and in some instances, which employees report to which managers. Engineering and Maintenance functions have been consolidated into one division for clarity, effectiveness and improved communication. Mr. Bouey also pointed out that a new section, Scheduling and Control, has been included and will perform maintenance planning. He believes that if Port is going to be effective in its maintenance, it has to be better planned and should be centralized.

Planning and Development remains almost identical as to its current organization.

Tenants and Maritime Services has two branches: maritime and commercial. Under the current organization, maritime in addition to its cargo responsibilities was also responsible for leasing certain properties. Currently, it sometimes is unclear as to whether Cargo or Tenant Services is responsible for leasing certain properties, and which sometimes led to duplication of efforts or worse allowed for projects to fall between the cracks of the organization. As well, Tenant Services under the current organization, is responsible for ship repair and the cruise industry, which more logically might belong to the maritime division. In Mr. Bouey's opinion, having both these groups reporting to the same manager ensures clarity. The maritime unit can now concentrate pursuing additional shipping lines, should be in the business of holding onto our current shipping customers while attempting to attract more lines to our facilities. At the same time, this same unit will be both responsible for and accountable for all Port properties and leases.

Government and Public Affairs remains the same as in the current organization chart.

Marketing. This is a newly created division. This division will perform two functions: research and promotion and sales. Mr. Bouey is of the opinion that the Port is a business and must behave as a business and that the Port has a product and staff must go out to sell it. Mr. Bouey sees opportunities in marketing maritime, cargo, as well as our excursion business, and ailing ship repair businesses. Mr. Bouey also mentioned doing joint ventures with tenant groups such Fisherman's Wharf. Mr. Bouey believed that our tenants will be better served, as well as the Port.

Mr. Bouey then presented the budget. He indicated that it's not a happy budget, but believed it to be a prudent and reasonable budget, given the financial situation that the Port finds itself in. As previously reported, COSCO has announced that it is leaving the Port effective May 1994. Approximately $1.7 million is lost in revenue from this tenant alone. There

are certain areas that have increased in cost, such as City overhead expenses. Mr. Bouey and his staff have looked at every single expenditure and as noted in the agenda package, have cut most, some dramatically. Mr. Bouey further indicated that notwithstanding the cuts made, it was not possible to present a workable budget, without reducing Port personnel. Therefore, Mr. Bouey recommended that the Port delete 26 positions from the budget. Of the 26 positions recommended, 8 belong to the "City employees" union; 4 belong to Engineer's Local 21 union, 5 belong to Building & Construction Trades Unions and 4 belong to Municipal Executive Association. The cut has been made across the board. Of the 26 positions, all but 8 have bumping rights, i.e those employees will find another job with the City and County of San Francisco. The remaining 8 have no bumping rights and, therefore, will be out of a job. However, Mr. Bouey was informed that one of the 8 people has already found another job and will be leaving shortly. As a matter of process after and if the budget is adopted as presented, a 30-day notice will be sent to each employee informing them that in 30-days they will be out of a job at the Port of San Francisco. However, Mr. Bouey has met with the employees to be laid off and informed them that if they wish to stay on until June 30, it's acceptable to the Port. Mr. Bouey reiterated that the Port will try to do everything it can to accommodate and help them find a new job. Personnel staff have already begun one-on-one meetings with the 8 individuals, and are working with the City's labor negotiator as well as the new Human Resource Department to see if we can help them with out placement. Mr. Bouey further stated that while contemplating eliminating 26 positions, he is also asking that 8 new positions be added. The 8 new positions have been added to either increase revenue or make the Port more efficient and effective. The only criteria used in eliminating positions was function. Mr. Bouey was sorry that staff cannot provide the Commission a budget with happier news but believed that this is a prudent budget, a budget that the Port will realistically meet and that the Port will finish in the black next year. The surpluses that the Port has been running to date are not sufficient to achieve the Port's maintenance development goals and that additional revenues must be realized to ensure the survivability of the Port. In fact, the amount of excess money the Port made to date has not been enough to care for the existing facilities. Mr. Bouey believes this budget marks a point in time where we begin to stabilize the Port and start to turn the ship around so that we might start take advantage of the wonderful and huge potential that this waterfront represents to all citizens of San Francisco.

ACTION: Moved by Commissioner O'Neill; Seconded by Commissioner Halsted. All Commissioners in favor; resolution was adopted.

Commissioner Halsted mentioned that she was unhappy to be in a position to approve layoffs. Commissioner Halsted appreciated that staff needs to look to the future for the Port and needs to get our ship in order. Commissioner O'Neill mentioned that it's not a happy vote but appreciated the fact that Director and staff were working hard with the individuals that are leaving and the offer of one-on-one meetings and working through June 30 was commended. Commissioner Herman didn't have any comments.

Commissioner Cook commended staff for providing the Commission with a workable budget, unpleasant as it was. Commissioner Cook also appreciated all the extra efforts put forth in putting the budget together. Commissioner Cook mentioned that none of us like layoffs. Commissioner Cook also thought that this budget reflects the future and reflects more income with the Port and would send the Port in the right direction. Mr. Bouey mentioned that all of the staff worked very hard on the budget but gave special recognition to Ben Kutnick for putting forth extra efforts, working many Saturdays, to prepare the budget.

4. **CARGO SERVICES**

A. Authorization to enter into a five-year lease with Tidewater Sand and Gravel, Inc. for 101,900 square feet at Seawall Lot 352 for sand reclamation and distribution. (Resolution No. 94-39)

Mr. Bouey mentioned that this item offers a 5-year lease to Tidewater Sand and Gravel and brings to a market rate of 15 cents per square foot.

ACTION: Moved by Commissioner Halsted; Seconded by Commissioner Herman. All Commissioners in favor, resolution was adopted.

5. **TENANT SERVICES**

A. Authorization to issue a Request For Proposal (RFP) for a 15-year lease at the Mission Rock Resort Property, Terry Francois Blvd. (China Basin). (Resolution No. 94-41)

Mr. Bouey stated that in 1975, the Port let a lease to the current tenant. That lease expired in 1990 and tenant has since operated on a month-to-month basis. In his opinion, the facility has been allowed to run down and the current rent, about $3,000 a month, is not commiserate with the potential of this facility. Staff recommends that Commission authorize the attached RFP so that appearance and the appeal of the facility be upgraded and that the return to the Port be improved.

Commissioner Cook mentioned that no one had turned in a card to speak. He asked that anyone wanting to speak about an item should fill out the speaker card and turned in to the Commission for the record.

Norma Wahl, the current operator of Mission Rock Resort, spoke on this issue and mentioned that they have been at Mission Rock Resort for 19 years. She mentioned that before the lease ran out, she wrote a detailed letter to the Port, asking for renewal of their lease. They never received any reply. They were willing to borrow money to upgrade their facilities. They would like to improve their business but did not receive any support from the Port and were not given a formal notice. She felt that the Port is not treating them well; they operate seven days a week, restrooms are constantly open to the public. She mentioned that she's the only woman tenant at the Port and has offered many

people of diverse cultures jobs. She felt that the Port owes them the lease as they have been a tenant for many years. She claimed they have the support of their customers and have not let their employees down. They have always paid their rent.

Commissioner Cook mentioned that this is a Request For Proposal. Appreciated the good service that Mission Rock Resort has put forth. However, times have changed for the Port. They have an opportunity like any other person to respond to the RFP. Hoped that they are able to come back with the proposal to lease the facility. But it's the best interest of the Port to issue an RFP and to find the best possible tenant for that space. Reiterated that they have the opportunity to submit application under the RFP.

Ms. Wahl indicated that the Port wanted to give her a three-year lease with a promise of additional funding to upgrade Mission Rock, which she believes is insulting. She mentioned that she has financial backing. She felt that Port should treat her with respect and give her a lease without argument or putting it up for public bid.

Mr. Bouey interjected and mentioned that the Port has written two letters in 1990, explaining that Mrs. Wahl's lease would not be renewed and that it will be going out to an RFP. The Port has also adopted a retail leasing policy that allows, in certain instances, the Port to negotiate a new lease with the existing tenant. Unfortunately, Mrs. Wahl does not meet the criteria and, therefore, staff is compelled to request that this be put out for an RFP. Mrs. Wahl asked what the criteria is. Mr. Bouey mentioned that Mrs. Wahl received a letter mailed to her on May 16 which outlines the reasons. Mr. Bouey indicated that he's happy to meet with her privately to discuss the issues contained in the lease.

ACTION: Moved by Commissioner Halsted; Seconded by Commissioner O'Neill. All Commissioners in favor, resolution was adopted.

Commissioner Halsted concerned/commented that staff take serious Item 6 of the goals of this RFP that the operator be one which retains the character of S.F. waterfront in other words, a place that is attractive to San Franciscans. Mr. Bouey mentioned that that will be taken into consideration.

Commissioner O'Neill asked about the preferential point system for a woman owned and minority owned business enterprise. Mr. Bouey indicated that there will be preference points given on the scoring of the RFP's to both certified woman and minority owned business.

B. Authorization to enter into a Month-to-Month Lease with the American Merchant Marine Veterans for a Memorial Plaque at the Port Promenade. (Resolution No. 94-42)

This item is a month-to-month arrangement. If it becomes necessary to terminate it, the Port may terminate it. In return for the providing the staff

space for the plaque to honor the Merchant Marine Veterans, the association agrees to fly and maintain an American flag and to illuminate it with the existing lighting fixtures and to pay for the electricity used to maintain that illumination.

ACTION: Moved by Commissioner O'Neill; Seconded by Commissioner Halsted; All Commissioners in favor, resolution was adopted.

Commissioner Ike Felzer, from Permit Appeals, thanked the Commission on behalf of the Second World War veterans, appreciated the honor that the City bestowed on them.

C. Authorization to award to Pier 32 Market, Inc. the exclusive right to negotiate a lease for an arts & crafts market on Pier 30-32, located on The Embarcadero between Bryant & Brannan Streets. (Resolution No. 94-50).

Mr. Bouey believed that an open-air market is another step towards revitalizing the Port, providing yet another reason for local residents to visit and use the waterfront. Commission authorized staff to contact people who had proposed such a market, to receive their offers and to select an entity with which to negotiate a pilot program of approximately 18-24 months in duration. The purpose of the pilot program is so that staff may determine the viability of the open-air market concept. If the concept is successful, staff will RFP the concept for a long-term lease. Today, staff requests that it be authorized to negotiate a pilot program with Pier 32 Market, Inc. The basis for the recommendation is that the Pier 32 Market proposal focused on the sale of original art and crafts; it had the most developed plan for the design of the market; had completed a parking survey and has a traffic survey underway. More importantly, it had submitted budgets for both the improvements and the operation which were both complete, specific and realistic. It's the opinion of staff that Pier 32 Market, Inc. is the most likely candidate to conduct a quality operation, is the most advanced and the most likely candidate to prove the viability of the open-air market concept for the Port of San Francisco.

ACTION: Moved by Commissioner O'Neill; Seconded by Commissioner Herman. All Commissioners in favor, resolution was adopted.

Commissioner Halsted appreciated the fact there has been some competition regarding this interesting opportunity and the hard work put forth by staff to get the best offer and other parties interested in the project.

6. **ENGINEERING**

A. Professional Services Contract No. SA 3930006, "Ferry Plaza and Pier 27-29 Structural Engineering Services for Earthquake Damage Repair," Winzler & Kelly/AGS, approval to execute Phase II final design work for $716,101.00. (Resolution No. 94-43)

Mr. Bouey indicated that in 1993, the Commission awarded to Winzler &

Kelly/AGS the contract to perform design work for the repair of earthquake damage to the Ferry Plaza and Pier 27-29. The work to be done was to be done in two phases. The joint venture has completed the Phase 1 work and now wishes to embark on Phase 2 which include detailed structural analysis, final design preparation, contract documents and reduce services; this contract is FEMA funded.

ACTION: Moved by Commissioner Halsted; Seconded by Commissioner O'Neill. All Commissioners in favor, resolution was adopted.

Since the word "responsive" was used in the agenda, Commissioner O'Neill inquired about the difference between responsive and responsible. Mr. Bouey explained that responsive meant the proposer has met the requirements of the RFP while responsible involves the integrity of the bidder itself.

Commissioner Cook inquired about the Phase 2 work as indicated on page 2 of the memorandum. Cliff Jarrard, Chief Harbor Engineer, mentioned that staff will do everything it can to expedite the job in a shorter time than indicated. Commissioner O'Neill questioned the amount of time (365 days) to complete the bid documents. Mr. Jarrard mentioned that this project is fairly complicated. Commissioner O'Neill asked that the Commission be provided an update of the project every sixty days. Mr. Jarrard concurred.

B. Contract No. 2597, "Fisherman's Wharf Sidewalk Improvements" (which include new street lights and trees), authorization to award to lowest responsive bidder. (Resolution No. 94-48)

Mr. Bouey reminded the Commission that this is the contract that staff is fast tracking and is attempting to effectuate the improvements before the tourist season begins. The low bidder was deemed eligible by HRC. He pointed out that in order to completely perform the contract, the Base Bid and Alternates 1 and 2 must be awarded. However, to complete Alternate #2, the Port needs a letter from Mr. Frank Alioto that will allow Port to build the sidewalk onto a portion of his property. Staff believes that they will receive the letter before works commences. If staff's not able to secure the letter, Alternate #2 will be deleted from this job and will be completed at a later date. Commissioner Cook inquired about the completion date of this project. Mr. Jarrard reported that it will be May 1st.

ACTION: Moved by Commissioner O'Neill; Seconded by Commissioner Herman. All Commissioners in favor, resolution was adopted.

7. **PLANNING DEVELOPMENT AND COMMUNITY AFFAIRS**

A. Request authorization to apply for a time extension for a $3 million construction loan from the State Department of Boating and Waterways; and to apply for an additional $1.7 million construction loan from the Department of Boating and Waterways for the Hyde Street Harbor. (Resolution No. 94-53)

Mr. Bouey indicated that this project complements the work at Pier 45 and is important that it be moved forward. The project as originally conceived was an $8 million project and could not pass economic muster. Staff has redefined the scope so that the project can be done for about $6.2 million. An economic analysis of the project shows that the break-even point is about $4.8 million, i.e. the revenues from the project could support an $4.8 million loan and the facilities operating costs. Accordingly, staff asked for authorization to seek an extension of the current $3 million loan as well as apply for an additional $1.8 million in loan monies. Staff has reasonable expectation that the loans will be forthcoming but is still left with a $1.4 million shortfall. During the period of time that staff conducts the EIR, staff will attempt to find the other $1.4 million to build this project.

ACTION: Moved by Commissioner Halsted; Seconded by Commissioner O'Neill. All Commissioners in favor, resolution was adopted.

8. **INTERNAL SERVICES** - No Item Calendared

9. **CONSENT CALENDAR**

A. Approval of Refunds and Allowances for the month of February 1994. (Resolution No. 94-51)

ACTION: Moved by Commissioner Halsted; Seconded by Commissioner Cook. All Commissioners in favor, resolution was adopted.

10. **EXECUTIVE SESSION**

At 5:07 p.m., Deputy City Attorney Julie Van Nostern announced that the Commission will withdraw to executive session for discussion of the following item:

A. An executive session has been calendared for the March 22, 1994 meeting of the Port Commission to discuss real property negotiations with Southwest Marine, Inc., a California corporation at Pier 70. The City Attorney's Office is of the opinion that an executive session is specifically authorized under California Government Code Section 54956.8.

Commissioners Cook, Halsted, and O'Neill returned from Executive Session and convened in public session at 6:00 p.m. Commissioner Cook reported that no action was taken on the issue.

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SAN FRANCISCO PORT COMMISSION

REGULAR MEETING
4:00 p.m., Tuesday, April 12, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - March 22, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Selection of Underwriters for a Negotiated Sale of Port Refunding Bonds. Refunding of Revenue Bonds Series A, Series B, and Series C of approximately $50 million. (Resolution No. 94-59)

4. **CARGO SERVICES**

5. **TENANT SERVICES**

6. **ENGINEERING**

   A. Authorization to Issue a Modification to Professional Services Contract SA 3972023 with Moffatt & Nichol, A.G.S. and Kwan Henmi, and Association for $83,049, to provide support services to Port staff with the construction management of Phase III, Pier 45 Earthquake Repair Construction. (Resolution No. 94-55)

7. **PLANNING DEVELOPMENT & COMMUNITY AFFAIRS**

8. **INTERNAL SERVICES**

9. **CONSENT CALENDAR**

10. **EXECUTIVE SESSION**

    A. An executive session has been calendared for the April 12, 1994 meeting of the Port Commission to discuss the status of the following litigation cases:

       1) Kirp v. CCSF, Superior Court No. 944-722
       2) Knee v. CCSF, Superior Court No. 951-545

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

B. Vote in open session on whether to discuss Executive Session Discussions (Motion) (S.F. Admin. Code Sec. 67.14)

11. **NEW BUSINESS**

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero station located at Market and Spear Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American sign language interpreters
- The use of a reader during the meeting
- A sound enhancement system
- Minutes of the meeting in alternative formats
- Large print of copy of an agenda

To allow individuals with environmental illness or multiple chemical sensitivity to attend the meeting, individuals are requested to refrain from wearing perfume or other scented products. Please help the City to accommodate these individuals.

PORT OF SAN FRANCISCO

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MEMORANDUM

April 5, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Selection of Underwriters for a Negotiated Sale of Port Revenue Bonds

DIRECTOR'S RECOMMENDATION: APPROVE THE SELECTION OF UNDERWRITERS AS RECOMMENDED BY REVIEW PANEL

The Port Commission, at its February 22 meeting, authorized a Request for Proposals (RFP) for the purpose of contracting with underwriters to assist with a negotiated sale of Port revenue bonds.

The RFP schedule that was followed is summarized below:

2/25/94	Advertisements in the Bond Buyer, Chronicle/Examiner, Small Business Exchange, Purchaser's Newsletter
2/28/94	Mailed RFP's
3/17/94	Held Pre-Proposal Conference
3/28/94	Received Proposals
4/04/94	Panel Review and Shortlist for Interviews
4/11/94	Panel Interviews and Recommendations

THIS PRINT COVERS CALENDAR ITEM NO. 3B

Thirty (30) proposals were received for underwriting services. The panel evaluated the proposals using the criteria documented in the RFP.

The panel met yesterday, Monday, April 11, 1994 to interview the firms selected by the panel. The firms interviewed are listed below. Staff will be prepared to recommend a team of underwriters to the Commission at the meeting of April 12, 1994, to be selected from those firms interviewed. An amended resolution, including the underwriter team recommended by the panel, will be delivered to the Commission for approval at the meeting.

This schedule has been developed to provide the Port with entry to the bond market at the earliest opportunity to take advantage of the lowest possible interest rates.

The firms selected for interview are:

- Artemis Capital Group, Inc.
- Lazard Freres & Co.
- Lehman Brothers
- PaineWebber Incorporated
- Smith Barney Shearson, Inc.
- Charles A. Bell Securities Corp.
- Reinoso & Company
- Smith Mitchell

The Underwriters will be compensated solely from bond proceeds, contingent upon a successful closing. Compensation includes the following items:

- Management Fee - for structuring the refunding issue
- Takedown - compensation for sales force for selling bonds
- Underwriting - compensation for market risk
- Expenses

The RFP required that no less than 35% of the management fees go to Minority and Women Owned Businesses. In addition, the senior underwriter will be required to guarantee access to bonds at no less than 35% for Minority and Women Owned Businesses.

Prepared by: Ben Kutnick

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-59

WHEREAS, the Port Commission approved the issuance of a Request for Proposal to select underwriters at its February 22, 1994 meeting by Resolution No. 94-26; and

WHEREAS, the selection of Underwriters is necessary to complete a negotiated refunding of Port revenue bonds; and

WHEREAS, the Port issued a Request for Proposals for Underwriting Services on February 28, 1994 and proposals were received on March 28, 1994; and

WHEREAS, the selection panel reviewed proposals on April 4, 1994 and the selection panel interviewed selected firms on April 11, 1994; and, therefore, be it

RESOLVED, that the Port Commission approves the selection of underwriters as recommended by the selection panel from the firms identified below:

- Artemis Capital Group, Inc.
- Lazard Freres & Co.
- Lehman Brothers
- PaineWebber Incorporated
- Smith Barney Shearson, Inc.
- Charles A. Bell Securities Corp.
- Reinoso & Company
- Smith Mitchell

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting on April 12, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

April 4, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Modification to Professional Services Contract No. SA3972023 with Moffatt & Nichol, AGS and Kwan-Henmi, An Association

DIRECTOR'S RECOMMENDATION: THAT THE PORT COMMISSION AUTHORIZE A MODIFICATION TO THE MOFFATT & NICHOL, AGS, KWAN-HENMI, AN ASSOCIATION, CONTRACT IN THE AMOUNT OF $ 83,049 AND A TIME OF COMPLETION EXTENSION TO 7/15/95.

The Port Commission by Resolution No. 92-53, dated May 13, 1992, authorized the execution of Modification No. 14 for $386,000 to professional services Contract SA3972023 with Moffatt & Nichol, AGS and Kwan-Henmi an Association. This provided for the final design of the Pier 45 earthquake repair project but did not provide for construction support services for the construction phase of the work.

The final phase of construction began on March 21, 1994, with construction management performed by Port staff. Although the construction management and oversight of the $9,398,205 construction contract is being performed by Port staff, outside support services from the Association are also needed. These services include structural shop drawing review approvals, material quality control testing, field inspection and reports and ongoing technical advice to Port staff. It is essential that the same organization that prepared the design also provide these services because of its knowledge of the design background.

Port staff has met with the Association and negotiated the scope of work necessary to provide the Port with the construction management support services. This is incorporated into Modification No. 15 to professional services Contract No. SA3972023, at a cost of $83,049. This work will be financed by FEMA/OES funds.

The scope of services is tailored to minimize Association involvement and maximize the use of the Port staff services in the areas of inspection, design review and submittal approvals where appropriate.

Prepared by: Cliff Jarrard

THIS PRINT COVERS CALENDAR ITEM NO. 6A

l:mofnico

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-55

WHEREAS, Commission Resolution No. 92-53, dated May 13, 1992, authorized the execution of Modification No. 14 to professional services Contract No. SA3972023 with Moffatt & Nichol, AGS and Kwan-Henmi, an Association to provide final design services for the Pier 45 earthquake repair project; and

WHEREAS, the services did not include construction support services for the final construcion phase; and

WHEREAS, work on the $9,398,205 final phase construction contract began on March 21, 1994; and

WHEREAS, although the construction management of this contract is being handled by Port staff, additional outside support services are needed from the Association; and

WHEREAS, Port staff has negotiated a scope of work with the Association; and

WHEREAS, this scope of work is incorporated into Modification No. 15 for the Association to provide construction support services for the ongoing pier and buildings repair construction contract; and

WHEREAS, the scope of services in Modification No. 15 is tailored to minimize Association services and maximize the use of Port staff services in the areas of inspection, design review and submittal approval; therefore, be it

RESOLVED, that the San Francisco Port Commission hereby authorizes a Modification No. 15 to professional services Contract No. SA3972023 with Moffatt & Nichol, AGS, Kwan Henmi- An Association in the amount of $83,049 and a time of completion extension to 7/15/95, for a total contract amount of $1,978,811.24.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 12, 1994.

_____
Secretary

l:mofnico

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SAN FRANCISCO PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

MINUTES OF THE MEETING
April 12, 1994

1. **ROLL CALL**

The meeting was called to order by Commissioner Preston Cook at 4:05 p.m. The following Commissioners were present: Commissioner Preston Cook, Commissioner Anne Halsted, and Commissioner Francis O'Neill

Commissioner Ming Chang-O'Brien and Commissioner James Herman were absent.

2. **APPROVAL OF MINUTES** - March 22, 1994 Commission Meeting Minutes

ACTION: Commissioner Frank O'Neill moved approval; Commissioner Anne Halsted seconded the motion. All Commissioners in favor; minutes of the March 22 meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Ben Kutnick, acting Executive Director, as Dennis Bouey is in Asia, reported on two items: (1) Sidewalk Improvements at Fisherman's Wharf, which begun today, contract duration: 3-weeks. (2) Notice to Proceed was issued for the final phase of Pier 45, Earthquake Improvements.

B. Selection of Underwriters for a Negotiated Sale of Port Refunding Bonds. Refunding of Revenue Bonds Series A, Series B, and Series C of approximately $50 million. (Resolution No. 94-59)

Mr. Kutnick stated that at the February 22 meeting, the Commission approved the Request for Proposal to select underwriters to assist the Port in the negotiated refunding sale of revenue bonds. On March 28, staff received 30 proposals from prospective underwriters. Staff narrowed the list to 8 firms to be interviewed. These firms were interviewed yesterday by the selection panel. A substitute resolution requesting approval of 4 selected underwriter firms, based on scoring by the panel and by the criteria identified and outlined in the RFP, was presented to the Commission. Mr. Kutnick mentioned that it was a difficult selection process as there were very many qualified firms but believes that the Port has chosen an excellent team of underwriters. Mr. Kutnick mentioned that the Port must refund the bonds by the end of fiscal year and emphasized the importance of taking advantage of savings this year as interest rates continue to rise. Mr. Kutnick then introduced the representatives from

each of the four firms selected: Jim Gibbs, Senior Manager, Lehman Brothers; Monique Humphries, Co-Senior Manager, Smith Mitchell Investment Group (woman-owned business); Eric Seder and Nick Prassas, Co-Manager, Smith Barney Shearson; and Chris St. James, Co-Manager, Charles A. Bell Securities.

Commissioner O'Neill was concerned about narrowing the list from 8 to 4; however, he congratulated all the firms selected. Commissioner O'Neill inquired whether the firms that were selected have offices in San Francisco and whether all the managers of the firm are located in San Francisco. Since the Port has story bonds to sell, Commissioner O'Neill wondered if the selected underwriters have any Port bond experience. Mr. Kutnick concurred that all the firms, in fact, are situated in San Francisco and the managers are also from San Francisco. Mr. Kutnick indicated that all of the firms have had experiences with Port bonds. Both Lehman Brothers and Smith Mitchell Investment Group have done bond issues for the Port of Seattle, Tacoma and Portland. Both Smith Barney Shearson and Charles A. Bell Securities have done financing for the Port of Oakland. Commissioner O'Neill was interested in finding out from the firms how they see the market place i.e. will interest rates continue to rise or fluctuate or will the Port be in a position to pounce when interest rates go a little lower or go full steam ahead.

Mr. Gibbs, Senior Manager for Lehman Brothers, views the market as it's likely to remain a nervous market reacting positively and negatively to tidbits of economic data that comes out periodically. He thinks that the objective shared is to be committed to this transaction, to prepare carefully for it, to educate all the probable buyers as quickly as possible and to move on a day that seems fruituitous to them and the Commission. Commissioner O'Neill inquired about the timing. Mr. Gibbs stated that the schedule given to them has the sale of the bonds the week of May 3. They are prepared to follow the schedule or adjust it as circumstances may suggest. He mentioned that they have plenty of time to close before the end of the fiscal year. Commissioner O'Neill asked whether this will be an institutional purchase. Mr. Gibbs indicated that primarily, with their experience with Port revenue bonds, at the probable rating levels that they are looking at, the typical division between institutional sales is 90-10 or 95-5, primarily an institutional instrument. Commissioner Cook congratulated all the selected firms.

ACTION: Commissioner Anne Halsted moved approval; Commissioner Frank O'Neill seconded the motion. All Commissioners in favor; resolution adopted.

4. **CARGO SERVICES** - No Items Calendared

5. **TENANT SERVICES** - No Items Calendared

6. **ENGINEERING**

A. Authorization to Issue a Modification to Professional Services Contract SA 3972023 with Moffatt & Nichol, A.G.S. and Kwan Henmi, and Association for $83,049, to provide support services to Port staff with the construction management of Phase III, Pier 45 Earthquake Repair Construction. (Resolution No. 94-55)

Commissioner Cook asked for an explanation of this item. Mr. Cliff Jarrard, Chief Harbor Engineer, reported that this item provides construction support services to Port engineering staff. The primary reason for this contract is staff needs assistance, and the second is liability. Staff prefers the same consultant, who provided the design, to review shop drawings. Staff would like to ensure that any recommended changes that are replacement in kind made by the contractor are, in fact, replacement in kind. Consultant can perform certain testing that Port staff cannot and can provide internal expertise. Typically, on a construction project, the construction management runs between 3-4%. On an almost $10 million job, it would be around $300,000 worth of work. Port staff will be providing a great deal of work but needs the consultant for the reasons mentioned.

Commissioner O'Neill indicated that staff previously came to the Commission for Contract Modification #14 for $386,000, and confirmed that the modification did not provide consultant services and that staff required outside construction support. Mr. Jarrard commented that one of the reasons that staff is requesting approval is that staff is receiving submittals that it cannot handle. Staff needs the consultants as soon as possible. A submittal is a fabrication drawing that the contractor's fabricator does and the consultant reviews for reinforcing details, etc.

Commissioner O'Neill inquired whether the $83,049 will be paid for by FEMA/OES funds. Mr. Jarrard confirmed that it will indeed be paid by FEMA/OES funds. Commissioner O'Neill was concerned that this is yet another construction extension and asked that this should be watched carefully in the future as we are expending substantial funds. Mr. Jarrard concurred; however, he noted that this is necessary. Mr. Jarrard mentioned that staff wanted to have the same consultant for liability purposes. This contract (price and scope of work) was judiciously negotiated by Port staff. Commissioner Cook then inquired about the time table of the contract. Mr. Jarrard stated that the contract started March 21 and the scheduled completion date is May 1995.

ACTION: Commissioner Anne Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; resolution adopted.

7. **PLANNING DEVELOPMENT & COMMUNITY AFFAIRS** - No Items Calendared

8. **INTERNAL SERVICES** - No Items Calendared

9. **CONSENT CALENDAR** - No Items Calendared

10. **NEW BUSINESS**

Commissioner Cook stated that a speaker wanted to speak on a matter; therefore, Commissioner Cook, with the Commission's approval, amended the agenda to hear Mr. Greene's presentation before going to closed session.

Mr. Greene of Cable Car Charters spoke regarding the RFP that was passed in the February 22, 1994 meeting and is now under consideration with regard to the operation of motorized cable cars. Mr. Greene mentioned that as originally envisioned, the RFP that was contemplated by staff and Commission was for two separate identifiable spaces at the Wharf. It was proposed that these spaces be put out to bid separately, with the possibility that one operator could win one of the two or not win any of them. At the February 22 Commission meeting, the RFP was modified in effect to combine the two spaces, thus allowing one operator to bid on both spaces. He mentioned that there are only two motorized operators today. He asked that the Commission modify the existing RFP to separate the two designated spaces at the wharf for the operation of motorized cable cars and allow for two separate bids, allowing for the optimum in competition with a result of greater revenue return to the City, based upon the fees that will be generated by the two competing carriers. Commissioner Cook indicated that a decision was made at the February meeting to have a "winner-take-all" and an RFP was publicly discussed and changed. Commissioner Cook felt that it would be improper to go back and changed the RFP to the way it was originally since both operators agreed at that time to make that change. Commissioner Cook felt that it would be unfair to the other party, unless the other party came in and also petitioned to change the RFP. Mr. Greene stated that he's not aware whether the other party is present. Commissioner Cook indicated that he was not inclined to change the RFP and noted that it would be highly irregular at this time to change the RFP. Mr. Greene mentioned that the minutes speak for itself as to what was said at the last meeting. However, he believed that there was some confusion with regard to the import of the comment vis-a-vis the present parameters of the current RFP. Mr. Greene wished to persuade the Commission to look at the situation from a revenue standpoint and feels that two operators would generate increased revenues to the City.

Commissioner Halsted mentioned that a decision was made at the last meeting and was curious why Mr. Greene would like to change it now. Mr. Greene stated that it was due to confusion. The original RFP, as proposed, would allow for one operator to bid on both spaces but only to be the successful

bidder on one of them. If that was the case, why not give the successful bidder both spaces. In other words, staff comments were given to the Commission in light of the RFP as it was framed but not necessarily designed or intended to exclude the entire area and make it exclusive for one operator. While it's called a non-exclusive franchise, it really is an exclusive franchise with regard to the operations of motorized cable cars from these two spots within that area embraced by the RFP. Commissioner Cook reiterated that the Commission cannot go along with any change in the midst of an RFP. Commissioner Cook wasn't sure if there were any other opportunities to appeal but at this point would not make any changes unless, for some reason, the other operator agreed to a change. Commissioner Cook mentioned that staff shall proceed with the RFP and let the best party win. Mr. Greene mentioned that he understood the comments but on the other hand, he trusts that the Commission understands his position in taking whatever steps necessary to modify the RFP. Commissioner Halsted commented that the current position is fine and that the Commission would look to staff first and then the consensus of both parties but doesn't see any reason to change Commission's position. She felt that the Commission had taken a position because both parties wanted it; and if they change their minds, perhaps the parties owe the Port the cost of having to redo the RFP.

Commissioner O'Neill mentioned that when the RFP was passed, both parties were present and both agreed. The RFP was modified and it was carefully discussed and debated. Commissioner O'Neill believed that the Commission accommodated everyone concerned and if there is a change proposed at this time, in fairness, both parties have to agree. Mr. Greene agreed that both parties should be present to persuade the Commission to modify the RFP. Commissioner Halsted commented that perhaps the parties should reimburse the Port for the cost. Commissioner O'Neill mentioned that if any proposal to modify the should be done as a joint proposal by both parties.

Mr. Rob Maerz, Legal Counsel, indicated that this item is not on the agenda; and, therefore, the Commission cannot take any action. The Commission can however, vote to have this item on the agenda at the next meeting and have a duly noticed public hearing to discuss and consider whether or not to go back with the old format. However, at this point, this is strictly informational. Commissioner Cook reiterated that his view on his unwillingness to proceed in any way without consent from both parties. It's up to Mr. Greene to convince the other party to agree to a change in the RFP. If Mr. Greene is able to convince the other party, there could be a discussion with staff and possibly the Commission about further proceeding with another format of the RFP. Mr. Greene asked that perhaps an emergency meeting may be scheduled at which time both parties be present to modify the RFP. Commissioner Cook mentioned that without the approval of the other party, no meeting will take place; furthermore, no action can be taken. Mr. Greene confirmed that if such a modification is sought, the next best step is to seek out the intention or desire of the other party to see if there's some accord. Commissioner Cook stated that it would be a good course of action. Commissioner Cook mentioned that

staff has to play a role and does not think that the Commission should initiate anything at all. It has to be initiated by both parties on a mutual agreement. Mr. Greene mentioned that staff has been very cooperative and stated that if such an accord could be reached, it would be originally submitted to staff.

11. **EXECUTIVE SESSION**

A. At 4:30 p.m., Legal Counsel Rob Maerz announced that the Commission will withdraw to executive session to discuss the status of the following litigation cases:

1) Kirp v. CCSF, Superior Court No. 944-722
2) Knee v. CCSF, Superior Court No. 951-545

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An Executive Session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

Commissioners Cook, Halsted, and O'Neill returned from Executive Session and convened in public session at 5:05 p.m.

B. Vote in open session on whether to discuss Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

ACTION: Commissioner Halsted moved not to disclose what was discussed in the Executive Session; Commissioner O'Neill seconded the motion. All Commissioners in favor.

Meeting was adjourned.

SAN FRANCISCO
PORT COMMISSION

REGULAR MEETING
4:00 p.m., Tuesday, April 26, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

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AGENDA

1. ROLL CALL

2. APPROVAL OF MINUTES - April 12, 1994 Minutes

3. SPECIAL ITEM

   A. Special Commendation for James R. Herman

   B. Special Commendation for Ming Chang-O'Brien

4. EXECUTIVE

   A. Executive Director's Report

5. CARGO SERVICES

   A. Authorization to issue Request For Proposals (RFP) to select a proposed tenant for a five-year lease of Pier 48 and portion of Seawall Lot 337 at Terry Francois Blvd. (China Basin) for use as a maritime, maritime-related, or general warehousing facility. (Resolution No. 94-40)

6. TENANT SERVICES

   A. Approval of Amendment to Lease with Pier Thirty-Three, Inc. to Allow Refinancing of Leasehold Mortgage for Premises in the Pier 33 Bulkhead Building. (Resolution No. 94-58)

   B. Approval of Lease for Existing KSFO Radio Transmitter Towers located on SWLs 344/352, Amador Street. (Resolution No. 94-61)

   C. Approval of three (3) year leases pursuant to the Commission's Retail Tenants Leasing Policy, for Boondocks Restaurant (Pier 28), Peer Inn Restaurant (Pier 33), Pier One Deli, Pier 23 Cafe, Red's Java House (Pier 30) and Bay Blossoms (Ferry Building). (Resolution No. 94-63)

7. ENGINEERING

   A. Approval to Issue a Type 2 Contract Modification to Contract 2586, "Ferry Building Seismic Repair Stage I," for $135,807.95 (Resolution No. 94-65)

B. Approval to Issue a Type 2 Contract Modification to Contract 2597, "Fisherman's Wharf Sidewalk Improvements," for $36,852.50. (Resolution No. 94-66)

8. **PLANNING DEVELOPMENT & COMMUNITY AFFAIRS**

A. Authorization to apply for AB434 Grants from the Bay Area Air Quality Management District for a Demonstration Transportation Store in the Ferry Building and ferry service to Candlestick Park. (Resolution No. 94-57)

B. Approval of Resolution Supporting the Proposed Emergency Legislation, State of California Senate Bill 1629 (Resolution No. 94-72)

9. **INTERNAL SERVICES**

10. **CONSENT CALENDAR**

A. Authorization to accept Contract No. 2581, Pier 45, Earthquake Damage Repair Project, Compaction Grouting, at a final contract cost of $1,852,288.99. (Resolution No. 94-54)

B. Declaration of Emergency for Port Contract No. 2600, Emergency Removal of Parapet Plaster Ornamental Piece from the Bulkhead Buildings at Piers 29 and 31. (Resolution No. 94-56)

C. Approval of Parcel Line Adjustment at 156/160 Jefferson Street to allow sidewalk widening. (Resolution No. 94-68)

D. Approval of March 1994 Refunds and Allowances Report. (Resolution No. 94-71).

11. **EXECUTIVE SESSION**

A. An executive session has been calendared for the April 26, 1994 meeting of the Port Commission to discuss the status of the following litigation cases:

Peters v. CCSF, Superior Court No. 887-116
Stewart v. CCSF, Superior Court No. 946-753
Kraal v. CCSF, Superior Court No. 943-927

The City Attorney's office is of the opinion that based on existing facts and circumstances discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

B. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Pier 70 Foot of 20th Street
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director; Southwest Marine, Inc. (dba San Francisco Drydock) representative Mr. Carl Hanson.

An executive session has been calendared to discuss real property negotiations between the Port and Southwest Marine, Inc., a California corporation at Pier 70. This is specifically authorized under California Government Code Section 54956.8.

C. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. NEW BUSINESS

13. ADJOURNMENT

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero station located at Market and Spear Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American sign language interpreters
- The use of a reader during the meeting
- A sound enhancement system
- Minutes of the meeting in alternative formats
- Large print of copy of an agenda

To allow individuals with environmental illness or multiple chemical sensitivity to attend the meeting, individuals are requested to refrain from wearing perfume or other scented products. Please help the City to accommodate these individuals.

PORT OF SAN FRANCISCO

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MEMORANDUM

April 18, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Resolution Awarding Commissioner James R. Herman the Maritime Order of Merit, with the Rank of Commander

DIRECTOR'S RECOMMENDATION: APPROVE THE AWARD

Commissioner James R. Herman has served on the San Francisco Port Commission for 12 years, having been first appointed in October 1982 by Mayor Dianne Feinstein and reappointed by Mayor Art Agnos. In his years with the Port Commission, he has been an advocate for maritime industries and job creation for San Franciscans.

Commissioner Herman has been active along the waterfront in Port and union business and, as a resident of the Potrero District, has contributed significantly to his neighborhood and the City. To honor him for his invaluable, unselfish and lasting contributions to the maritime community, staff recommends that he be awarded the Maritime Order of Merit, with the rank of Commander.

Prepared by: Gretchen Grover

THIS PRINT COVERS CALENDAR ITEM NO. 3A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-70

WHEREAS, James R. Herman has served on the San Francisco Port Commission for a total of 12 years, having been first appointed in October 1982 by Mayor Dianne Feinstein and reappointed by Mayor Art Agnos; and

WHEREAS, he currently holds the title President Emeritus of the International Longshoremen's and Warehousemen's Union (ILWU), having served as its President from 1977-1991 and having been involved in trade unionist activities since his youth; and

WHEREAS, he has taken an active role in breaking the Bay Area's dredging impasse, currently serving as Chairman of the Bay Dredging Action Coalition; and

WHEREAS, he has been honored by the unions as "Man of the Year" and by the local minority community as the recipient of the 1994 Martin Luther King Distinguished Service Award; and

WHEREAS, as a resident of San Francisco's Potrero Hill, he is deeply involved in community affairs, serving on the Board of Directors of St. Anthony's Kitchen and of Delancy Street Foundation; and

WHEREAS, he has spent most of his career working to improve conditions and business along the San Francisco waterfront; now therefore be it

RESOLVED, that the San Francisco Port Commission recognizes James R Herman's invaluable, unselfish and lasting contributions to the maritime community by conferring upon him the Order of Maritime Merit, with the Rank of Commander.

I hereby certify that the forgoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

April 18, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Resolution Awarding Commissioner Ming Chang-O'Brien the Maritime Order of Merit, with the Rank of Commander

DIRECTOR'S RECOMMENDATION: APPROVE THE AWARD

Commissioner Ming Chang-O'Brien was appointed to the Port Commission in July 1992 by Mayor Frank Jordan. In her years with the Port Commission, she has been an active participant in negotiations with the Port's international maritime tenants and has aggressively focused attention on contract fiscal management.

To honor her for the sound fiscal policy and contract management focus she brought to the Commission, staff recommends that she be awarded the Maritime Order of Merit, with the rank of Commander.

Prepared by: Gretchen Grover

THIS PRINT COVERS CALENDAR ITEM NO. 3 B

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-69

WHEREAS, Ming Chang-O'Brien was appointed to the Port Commission in July 1992 by Mayor Frank Jordan; and

WHEREAS, she provided the Commission with financial expertise and background from her position within the City's international financial community, first with Swiss Bank Corporation and currently with Chase Manhattan Bank; and

WHEREAS, as an active member of the San Francisco-Taipei and San Francisco-Shaghai Sister City Committees she played a key role in relations with members of the local Chinese community and international maritime tenants ; and

WHEREAS, she has background in both foreign service and small business administration and has made a significant contribution to the Port of San Francisco in the area of contract management and minority business participation; now therefore be it

RESOLVED, that the San Francisco Port Commission recognizes Ming Chang-O'Brien's invaluable, unselfish and lasting contributions to the maritime community by conferring upon her the Order of Maritime Merit, with the Rank of Commander.

I hereby certify that the forgoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

April 13, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Authorization to Issue a Request for Proposals (RFP) to Select a Proposed Tenant for a Five-Year Lease of Pier 48 and a Portion of Seawall Lot 337 at Terry Francois Blvd., (China Basin) for Use as a Maritime or Maritime-Related General Warehousing Facility.

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION FOR A REQUEST FOR PROPOSAL FOR A FIVE-YEAR LEASE OF PIER 48 AND SEAWALL LOT 337

The Port staff is prepared to seek a tenant for the Pier 48 facility through a formal Request for Proposal process. The RFP will be issued according to the Port's Internal Bid and Proposal Document Review Procedures. Staff will make all possible good faith efforts to identify interested minority or woman-owned businesses.

The RFP invites proposals to improve Pier 48 and to use it for marine terminal, directly related ancillary activities or other related warehousing uses with a relationship to maritime commerce. An adjacent portion of seawall is also offered which, if bid upon, may be used in conjunction with the proposed operations at Pier 48. The RFP contemplates a Commission-approved, standard five year lease with a five year option to extend.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

According to the provisions of the RFP, all improvements required for occupancy or for the proposed use will be for the account of the successful proposer. The RFP does not stipulate a minimum bid amount.

Proposals will be evaluated by staff on the basis of proposers' qualifications and experience, responsiveness to the use guidelines, economic feasibility and finally, the business elements of the proposal. Evaluation of the business terms will be given double the weight of the other considerations, and will take into consideration the proposers' creditworthiness, amount of guaranteed rent to the Port, projections of secondary income to the Port and the value of tenant-paid improvements.

The provisions of Chapters 12B and 12C of the San Francisco Administrative Code have been incorporated into the RFP which will require the tenant to implement an affirmative action plan to ensure equal employment within its operation. The Port strongly encourages small, local, women and minority owned businesses to participate in the RFP process.

The successful proposer will be required to use its good faith efforts to contract with certified MBE and WBE firms to perform the required and tenant proposed improvements. The lease will contain an appropriate MBE and WBE participation goal for the construction of improvements included in the proposal.

Prepared by: Roger L. Peters

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-40

WHEREAS, Charter Section 3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, Pier 48 is a vacant facility with potential to be used as a maritime facility or maritime-related warehouse; and

WHEREAS, Port desires to generate revenue from Pier 48; therefore, be it

RESOLVED, that the San Francisco Port Commission authorizes staff to issue a Request for Proposals (RFP) to select a proposed tenant for a five-year lease of Pier 48 with a five-year option thereafter and a portion of Seawall Lot 337 at Terry Francois Blvd., (China Basin) for use as a maritime, maritime-related, or general warehousing facility with a relationship to maritime commerce.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

Pier48.igq/3

PORT OF SAN FRANCISCO

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MEMORANDUM

April 18, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of Amendment to Pier Thirty-Three, Inc. Lease to Allow Refinancing of Leasehold Mortgage for Premises in the Pier 33 Bulkhead Building

DIRECTOR'S RECOMMENDATION: APPROVE AMENDMENT TO PIER THIRTY-THREE, INC. LEASE

Background:

Pier Thirty-Three, Inc., ("Master Tenant") whose principal is Mr. Kevin O'Brien, leases 12,900 square feet on three floors of the Pier 33 bulkhead building. The term of this 30-year lease (No. L-10446) commenced June 13, 1984 and expires June 12, 2014. Pursuant to this lease, the Master Tenant made substantial interior improvements to the premises, which is subleases for restaurant and office uses.

The Master Tenant is currently required to pay the Port base rent, with annual cost of living increases, against percentage rent. The current monthly base rent is $3,939.55 ($.31 per square feet). The percentage rental factors range from 6% to 10% depending upon use, and are calculated based upon the sublease rent received by the Master Tenant from its sub-tenants (except that, if the Master Tenant operates the restaurant, the

THIS PRINT COVERS CALENDAR ITEM NO. 6A

percentage rent is based upon the sales of the restaurant). The percentage rent breakpoint, above which the Master Tenant would pay overage percentage rent to the Port, is currently approximately $45,000 per month. While the office space is completely leased, the restaurant space, which represents 29% of the premises, is now vacant. At full occupancy, the rental revenue of the Master Tenant would be approximately $27,500 per month. Out of this revenue, the Master Tenant must pay operating expenses for the premises (including "full service" expenses for the office space), rent to the Port, and debt service.

While the Master Tenant is in compliance with the terms of its lease, the Master Tenant is in default under its loan with Wells Fargo Bank, who has initiated foreclosure procedures. If this foreclosure is consummated, the leasehold would be acquired by the bank, who would then have the right to sell the leasehold to another tenant, subject to the reasonable approval of the Port.

The Master Tenant has obtained a loan commitment from another lender ("New Lender") to pay off its existing loan and thus prevent the pending foreclosure. The New Lender, however, objects to one of the provisions in the lease, which in essence provides that the Port and the Master Tenant could mutually agree to modify the terms of the lease or terminate the lease, after giving the lender only thirty days notice. The New Lender is concerned that the Port and Master Tenant could mutually agree to amend or terminate the lease which might detrimentally impact its leasehold security or indeed eliminate this security. The New Lender has, therefore, made its loan commitment contingent upon the lease being amended.

Proposed Lease Amendment

The lease modification required by the New Lender would provide that, until the indebtedness of the Master Tenant to the New Lender is paid in full, the Port could not accept any surrender of the lease, or consent to any modification or assignments, without the New Lender's prior written consent. In return for this requested modification, the Port staff has requested that the following additional modifications be made to the lease:

1. The existing percentage rent provision of the lease would be deleted and would be replaced with a provision that the Master Tenant would be required to pay the Port 30% of gross revenues received by the Master Tenant in excess of a stipulated breakpoint of $27,500 per month.

2. In the event that the Port desires to redevelop Pier 33, the Port would have the right upon one year's prior written notice to the Master Tenant to terminate the lease, without the consent of either the Master Tenant or the lender, provided the Port pays the lender a termination fee. The amount of this termination fee would equal the principal loan balance on the date of the lease termination, excluding any refinancing, any additional loans, any additional advances, and any negative amortization.

3. Any rights to extend the lease beyond its current expiration date of June 12, 2014 would be eliminated.

These modifications have been approved by the Master Tenant and the New Lender.

Prepared by: Kirk Bennett

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-58

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for a modification to Lease No. L-10446, with Pier Thirty-Three, Inc. as Tenant, to enable the Tenant to refinance the leasehold mortgage; and

WHEREAS, the Port Commission desires certain additional modifications to be made to said Lease; and, therefore, be it

RESOLVED, that the Port Commission hereby approves the business terms of a lease amendment to said Lease which is set forth in the Memorandum of Agenda Item 5A for the Port Commission meeting on April 26, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

Pier 33.igq/4

PORT OF SAN FRANCISCO

Ferry Building
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Cable SFPORTCOMM
Writer

MEMORANDUM

April 26, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of Lease for Existing KSFO Transmitter Towers located on SWLs 344/352, Amador Street

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH CAPITAL CITIES, ABC, INC.

Background

Two radio transmitter towers for KSFO currently operate on SWLs 344/352, located south of Islais Creek at the end of Amador Street. They operate under an existing Lease #L-9797 with First Broadcasting. The lease term is for 25 years, commencing January 1, 1978 and terminating December 31, 2002. The leased premises contain only 10,454 square feet, but the lease also grants an easement for underground radial wires, whose boundary is delineated by two overlapping wires with 440' radiuses from each tower. The underground radial wires, which are for grounding purposes, are essential to the operation of the transmitter towers. The current rent is $17,683 per year.

Capital Cities, ABC, Inc. (CC/ABC) is the process of acquiring KSFO, and a condition of this purchase is that the remaining lease term for the transmitter towers be extended from 8+ years to 20 years. The Executive Director is concerned that the

THIS PRINT COVERS CALENDAR ITEM 6B

radial wires, could interfere with the development of the planned co-generation project on the adjacent property as well as with other industrial developments on or near the easement for these radial wires. The Executive Director has therefore negotiated a new, longer term lease with CC/ABC that contains the lease provisions outlined below.

Proposed Lease Provisions

1. Tenant - New lease with CC/ABC, replacing existing lease with First Broadcasting.

2. Term - Twenty years, commencing upon acquisition of KGO by CC/ABC.

3. Rent

   a. Initial annual rent of $125,000.

   b. Rent to be increased every 3 years by one-half the per annum increase in the CPI.

4. Right to Terminate - Beginning in the second year of the lease term, CC/ABC shall have the right to terminate the lease without penalty upon 90 days written notice.

5. Future Development

   a. CC/ABC shall acknowledge that the co-generation project is to be developed over or near its facilities, and CC/ABC shall agree not to object or interfere with the construction or operation of the co-generation project to the extent it does not materially interfere with CC/ABC's broadcast transmissions.

   b. CC/ABC shall work with the developer of the co-generation project toward a mutually acceptable technical resolution of any design problems affecting the facilities of either party.

   c. CC/ABC shall agree not to interfere with the Port's ability or right to lease the subject property to additional tenants, including CC/ABC's' easement area, unless the proposed use materially interferes with its tenancy or its ability to operate the transmitter towers.

Prepared by: Kirk Bennett, Acting Director, Tenant Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-61

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for a Lease with Capital Cities, ABC, Inc., as Tenant, which are set forth in the Memorandum of Agenda Item 5B for the Port Commission Meeting on April 26, 1994; therefore be it

RESOLVED, that the Port Commission hereby approves the business terms of that certain lease which are set forth in the Memorandum of Agenda Item 5B for the Port Commission Meeting on April 26, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

I:\users\tenant\wp51\agendas\capital.res\KB\cp\April 16, 1994

CONTRACT NO. _____

SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	SWL 344-352 PLAN-EASEMENT DESCRIPTIONS	W.P. Leeds 12-19-77 8919-34-352-6
W.F.P. | K.A.B. | D.L.H. | DATE 11/29/77 | AS SHOWN		SHEET 3 OF 3

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
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Writer

April 26, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of Three-year Leases Pursuant to the Commission's Retail Leasing Policy, for Boondocks Restaurant (Pier 28), Peer Inn Restaurant (Pier 33), Pier One Deli, Pier 23 Cafe, Red's Java House (Pier 30) and Bay Blossoms (Ferry Building).

DIRECTOR'S RECOMMENDATION: APPROVE REFERENCED THREE-YEAR LEASES SUBJECT TO APPROVAL OF AFFIRMATIVE ACTION PLANS BY THE PORT'S EQUAL OPPORTUNITY OFFICER.

Background

On April 28, 1993, by Resolution No. 93-52, the Port Commission adopted the Policy for Leasing of Retail Business Sites (the Policy). The Policy was developed because several retail tenants have been operating on Port property for many years under month-to month tenancies. This prevented them from developing long-term business plans and from obtaining financing which would allow them to make needed capital improvements. The Policy reiterated the general policy of the Port to competitively bid retail sites, but it also established two exceptions to the general policy.

First, the Policy allows new leases or lease extensions for an existing tenant if: (1) the tenant meets certain qualifying criteria, including being in good standing and having a sound business plan; (2) it is prepared to make a significant capital investment in its leasehold which would be beneficial to the Port; and (3) the resulting benefits of direct negotiation outweigh the benefits of competitive bidding.

THIS PRINT COVERS CALENDAR ITEM NO. 6C

Second, the Policy provides a one-time opportunity for an existing retail tenant to obtain a three-year lease even though it is not now prepared to make a large capital investment in its leasehold. This one-time opportunity is conditioned upon the tenant being in good standing and committing to an affirmative action plan acceptable to the Port's equal opportunity officer. This mechanism acknowledges the years of service the tenant has provided to the community and allows the tenant to have the certainty of a three-year lease term while it develops a business and capital investment plan which could enable it to qualify for a longer-term lease under the Policy. This one-time opportunity was available for one year from the date of the adoption of the Policy, and it therefore expires with today's Commission meeting.

Proposed Leases

The accompanying table lists the six tenants who have negotiated leases pursuant to the Policy, along with the basic lease provisions staff is recommending. Staff has evaluated the tenants against the qualifying criteria and can recommend a finding of good standing in each case.

Each lease has a three-year term pursuant to the Policy, with a provision for early termination at the Port's option should the parcel be needed for a waterfront development project. Each lease provides for percentage rent to be paid against minimum monthly rent. The percentage rent factor for each restaurant lease is 7% of gross revenues; the percentage rent factor for the flower vendor, because of lower overhead costs, is 10% of gross revenues.

The minimum rent for each lease was individually negotiated in the context of the intent of the Policy, i.e., to accommodate existing good tenants and to provide them with a transition period to improve their businesses. Because the amount of rent the tenant's current business is capable of paying was a factor in the negotiations, the minimum rental rates vary from lease to lease; however, staff believes that the negotiated minimum rents are all within the range of the market rental rates for similar businesses and facilities.

Each tenant is required to submit an affirmative action plan in accordance with the requirements of the Policy. As of this writing, several plans are still under review by the Port's equal opportunity officer. We expect all affirmative action plans to be

approved prior to the Commission meeting, but in the event a tenant's plan is not approved prior to the meeting, staff recommends approval of that tenant's lease subject to approval of the plan. Execution of two of the leases would also be conditioned upon the tenants' purchasing non-resettable cash registers and implementation of other recommendations of just completed audit reports.

Prepared by: Kirk Bennett
Acting Director, Tenant Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-63

WHEREAS, on April 28, 1993, by Resolution No. 93-52 the Port Commission aopted a Retail Leasing Policy which permitted direct negotiation of leases with existing tenants who qualify as tenants in good standing and who commit to an affirmative action plan approved by the Port's equal opportunity office; and

WHEREAS, the six tenants listed herein have qualified and negotiated leases pursuant to said Retail Leasing Policy; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby approves and authorizes the Executive Director to enter into the following retail leases in accordance with the terms outlined in the memorandum attached as Exhibit A:

Lease L-11821	Boondocks Restaurant
Lease L-11912	Peer Inn Restaurant
Lease L-11910	Pier One Deli
Lease L-11909	Pier 23 Cafe
Lease L-11914	Red's Java House
Lease L-11927	Bay Blossoms

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994

_____
Secretary

I:\wp51\tenant\agendas\RETAILSE.RES\DS/jef\April 18, 1994

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

April 19, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Construction Contract No. 2586, "Ferry Building Seismic Repair, Stage I", Approval to Issue Modification No. 5

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION AUTHORIZE STAFF TO ISSUE CONTRACT MODIFICATION NO. 5 TO BARNES/LEM, A JOINT VENTURE, FOR $135,807.95.

On May 26, 1993, by Resolution No. 93-65, the Port Commission approved the award of Ferry Building earthquake damage repair Contract No. 2586 to Barnes/Lem a Joint Venture at a total contract cost of $1,588,000. The Ferry Building is an old building and as earthquake repair construction progresses, more hidden damage is discovered. The damage needs to be repaired; FEMA/OES have agreed to fund the repairs and it is most cost effective to make the repairs while the building is opened up and a contractor is under contract to the Port.

The Port Commission previously approved modifications to this construction contract, the most recent of which was on January 25, 1994, authorizing a contract modification for $236,933.41.

Additional hidden damage has been discovered and staff seeks authorization to issue Contract Modification No. 5 for $135,807.95. This work includes additional structural steel work, electrical work, concrete demolition and altered south wall window

THIS PRINT COVERS CALENDAR ITEM NO. 7A

replacement. It also includes some new carpet where the existing carpet was damaged. The Port has received Verification of Additional Damage (VAD) forms for all of this proposed work, verifying that FEMA/OES will pay the full cost thereof.

Contract costs are as follows:

Original Contract Amount:	$1,588,000.00
Previous Modifications:	338,035.57
Modification No.5	135,807.95
Total Contract Amount:	$2,061,843.52

The Commission is also advised that staff anticipates further modifications to this contract.

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-65

WHEREAS, work is proceeding on construction Contract No. 2586, "Ferry Building Seismic Repair, Stage I"; and

WHEREAS, the Ferry Building is a very old building and as earthquake damage repair progresses, more hidden damage is discovered; and

WHEREAS, the damage must be repaired, FEMA and OES have agreed to fund the repairs and it is most cost effective to make the repairs while the building is opened up and a contractor is under contract to the Port to make the repairs; and

WHEREAS, this repair includes additional structural steel work, electrical work, concrete demolition, altered south wall window replacement and new carpet; and

WHEREAS, the contractor must be given authorization to proceed with the additional work as soon as possible to avoid demobilization and remobilization costs; therefore be it

RESOLVED, that the Commission authorizes staff to issue Contract Modification No. 5 to Contract 2586 with Barnes/Lem, A Joint Venture, for a total amount of $135,807.95.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

FERMOD-5

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MEMORANDUM

April 19, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Contract 2597, "Fisherman's Wharf Sidewalk Improvements"
Approval to Issue Modification No. 1

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ISSUE CONTRACT MODIFICATION NO. 1 TO MARINSHIP CONSTRUCTION SERVICES, INC./GHILOTTI BROTHERS CONSTRUCTION INC., A JOINT VENTURE, FOR A NET ADDITIONAL $36,852.50.

On March 22, 1994, by Resolution 94-48, the Port Commission approved the award on Contract No. 2597, to Marinship Construction Services, Inc./Ghilotti Brothers Construction, Inc,. a Joint Venture, at a total contract price of $128,880, and authorized the availability of a $6,000 contingency fund for possible contract modifications.

The project design, advertisement and award were accelerated to complete construction prior to the busy Memorial Day weekend. After bids were received, continued input from the Fisherman's Wharf community was received by Tenant Services. This has resulted in several changes to the work as requested by Tenant Services.

THIS PRINT COVERS CALENDAR ITEM NO. 7B

All work in Additive Alternative No. 2 will be deleted at a credit to the Port of $15,280. This alternative provided for new sidewalk in front of Boudin's Restaurant. However, there is adequate sidewalk already there which will be rehabilitated in the near future when that tenant makes their own site improvements.

Additional work requested includes additional trees with electricity supplied for lighting, a Christmas tree stand concealed in a manhole, altered curb work, and other miscellaneous changes at an additional cost of $52,137.50.

The revised cost summary is as follows:

Original bid:		$128,880.00
Additive Alternative No. 2 credit:		- 15,280.00
Added work:		52,132.50
	TOTAL:	$165,732.50

This cost, plus the $6,000 authorized contingency for possible additional modifications, provides for a project cost of $171,732.50. This is well below the original budget of $200,000.

Staff recommends the approval of this modification.

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-66

WHEREAS, the Port accelerated the design, advertisement, and award of the Fisherman's Wharf Sidewalk contract to complete construction prior to the Memorial Day weekend; and

WHEREAS, the Fisherman's Wharf community has requested that certain other improvements be incorporated into the work; and

WHEREAS, all work can be completed before the Memorial Day weekend; therefore be it

RESOLVED, that the Commission authorize staff to issue Modification No. 1 to Contract 2597, "Fisherman's Wharf Sidewalk Improvements," to Marinship Construction Services, Inc./Ghilotti Brothers Construction Inc., a Joint Venture for a net additional $36,852.50, for a total contract amount of $165,737.50.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

April 12, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: AB 434 Grants - Request authorization to apply for, accept and expend grant resources from the Air Management District for various transportation related improvements at the Port of San Francisco.

DIRECTOR'S RECOMMENDATION: APPROVAL OF RESOLUTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO APPLY FOR, ACCEPT AND EXPEND GRANT FUNDS FROM THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT, AB 434 (FY 94/95)

Background: Assembly Bill (AB) 434, the Transportation Fund for Clean Air, created an annual grant pool from a $4.00 surcharge on Motor Vehicle Registration fees paid within the City and County of San Francisco. The grant funds are to be used to implement specific transportation control measures included in the Bay Area Air Quality Management District's 1991 Clean Air Plan. For the FY 94/95 application cycle, approximately $9 million is available in a competitive regional fund and approximately $635,750 will be available to the County Transportation Authority. A cap of $900,000 per project has been imposed by the District on the regional competitive fund. The County Transportation Authority does not limit the amount per project, but prefers smaller, lower cost projects.

THIS PRINT COVERS CALENDAR ITEM NO. 8A

The Port of San Francisco, in cooperation with its tenants and transit operators, has developed three projects which are potentially eligible for the AB434 resources. the projects for consideration are:

1. A demonstration transportation project - Water Shuttle to Candlestick Park. This project is a demonstration project, for at least two seasons at Candlestick Park, to provide waterside transit access to Candlestick for ferry and excursion service providers.

2. Intermodal Transportation Store at the Ferry Building. This project would establish a retail/office space (in cooperation with RIDES for Bay Area Commuters and the Ferry Service Providers) in the ground floor of the Ferry Building along the Embarcadero, to provide transportation and visitor information to the public.

3. Regional Transit Information Kiosks along the Waterfront. This project would design, fabricate and install regional transit information kiosks along the waterfront. Kiosks would provide an interface between water and land side transit operations. Proposed Locations: Pier 1/2, Ferry Building, south end of the Ferry Building and Fisherman's Wharf.

Prepared by: Sharon Lee-Polledri

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-57

WHEREAS, the Bay Area Air Quality Management District is soliciting grant applications for funding under Assembly Bill 434, the Transportation Fund for Clean Air (FY 94/95); and

WHEREAS, the Port of San Francisco, in cooperation with its tenants and transit providers, desires to submit three projects for consideration in the FY 94/95 cycle. The projects are:

1. A water shuttle to Candlestick Park.
2. An intermodal transportation store in the Ferry Building.
3. Placement of a series of regional transit information kiosks along the waterfront; therefore, be it

RESOLVED, that the Port Commission authorizes the Executive Director to apply for, accept and expend AB 434 grant funds for the projects enumerated above; and, be it further

RESOLVED, that the Port Commission authorizes Port staff to solicit letters of support and/or supporting resolutions from its tenants and transit operators in support of these grant applications; and, be it further

RESOLVED, that any contracts negotiated with a consultant and/or transit provider shall be brought before the Port Commission for approval.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

April 19, 1994

To: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Ming Chang-O'Brien
Hon. James R. Herman
Hon. Francis J. O'Neill

From: Dennis P. Bouey, Executive Director

Subject: Resolution 94-72, supporting the proposed Emergency Legislation, State of California Senate Bill 1629

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION 94-72

In late 1992, the District Attorney in Solano County brought action against a California Fish and Game Supervisor for allowing the placement of creosote-treated pilings in the Sacramento/San Joaquin River delta. Since that court action, the Department of Fish and Game and the State Attorney General have advised other state regulatory agencies that they could be prosecuted for issuing permits that allow the use of creosote-treated pilings.

The rationale behind this action is State Fish and Game Code, section 5650, which makes it illegal, among other things, to place in state waters any substance which is deleterious to fish, plant life or bird life.

However, no conclusive scientific findings currently exist as to the effects of creosote-treated pilings in the salt water environment. Current water quality laws allow for a process of evaluation, criteria setting, and rule-making. This process has been precluded by the current situation.

THIS PRINT COVERS CALENDAR ITEM NO. 8B

Roughly half of the Port's 60,000 existing pilings are creosote-treated. The Port maintains an inventory of various lengths of piles for anticipated maintenance project requirements. Current inventory consists of both new and used creosote-treated pilings having a value of approximately $600,000.

The Port currently holds a permit from BCDC to drive pilings for ongoing maintenance projects, and the Army Corps of Engineers (COE) maintenance permit was received April 19, 1994. However, the COE permit is contingent upon permitting by the the state Regional Water Quality Control Board (RWQCB). The Port's RWQCB permit expired mid-March, and, based on the current regulatory situation, they indicate that they will not renew the permit.

At the suggestion of RWQCB staff , the Port proposed a five-year phase-out plan for eliminating the use of creosote-treated pilings. Staff has now been told that this will be rejected based on the threat of personal liability for RWQCB members from Fish and Game's current position on the issue.

Effectively, this means that the Port cannot proceed with any repairs to existing facilities with creosote-treated pilings.

SB 1629 — Senator Milton Marks has introduced emergency legislation to remedy the situation. The purpose of the bill is to:

- allow the use of creosote-treated pilings meeting federal EPA standards in the state's salt water environment.

- allow organizations who have invested substantial time and money to continue construction or maintenance of projects as long as those projects existed prior to or had received a permit prior to the date of enactment.

The bill would allow structures which were put in under previous permits to continue to be repaired, replacing existing creosote-treated pilings in kind.

The bill will be heard in the Natural Resources and Wildlife Committee on May 10th. Bay Planning Coalition and the Golden Gate Ports Association are asking for the Port's support to get the legislation passed.

In addition to the Port, this prohibition affects the Department of Public Works, the Recreation and Parks Department and the Redevelopment Agency. Action is being coordinated through the City's Legislative Office, and support for the legislation will be requested at the May meeting of the State Legislation Committee on Friday, May 6th.

Prepared by: Gretchen Grover and Karen Glatzel

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-72

WHEREAS, as a result of an informal settlement of misdemeanor charges against a California Fish and Game Supervisor the Department of Fish and Game has announced a policy to disallow the use of creosote-treated piling in maintenance or new construction; and

WHEREAS, upon the request of the State Attorney General, other State regulatory agencies have been advised that allowing or permitting the use of creosote-treated piling in waters of the State places individuals at risk for prosecution; and

WHEREAS, the Port of San Francisco has invested substantial time and money in the construction and maintenance of structures supported by creosote-treated pilings and currently can not gain approval from the State of California Regional Water Quality Control Board San Francisco Bay Region for ongoing maintenance of pile-supported facilities; and

WHEREAS. the continued use of creosote piling permitted under water quality regulatory processes and alternatives analysis is essential for economic considerations and health and safety concerns of the Port of San Francisco; and

WHEREAS, proposed State of California Senate Bill 1629 authorizes the use of creosote-treated wood products in the salt waters of the State including the necessary repair and replacement of the structures; therefore be it,

RESOLVED, that the San Francisco Port Commission supports the proposed emergency legislation, State of California Senate Bill 1629, and requests the State legislature provide for a reasoned approach to address the creosote-treated piling issue.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

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MEMORANDUM

April 8, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Authorization to Make Final Payment and Accept Work for Contract No. 2581- Pier 45 Earthquake Repair Project Pressure Grouting

DIRECTOR'S RECOMMENDATION: THAT THE PORT COMMISSION AUTHORIZE STAFF TO MAKE FINAL PAYMENT AND FOR THE EXECUTIVE DIRECTOR TO ACCEPT ALL WORK UNDER CONTRACT NO. 2581, AT A TOTAL COST OF $1,852,288.99.

The subject contract is the second stage of the earthquake damage repair to Pier 45 and provided for pressure grouting to strengthen the soil foundation in Sheds A, B and D. This work was totally funded by OES/FEMA.

The Port Commission by Resolution No. 92-26, authorized a total contract amount of $1,960,000. The work is completed and the final contract amount is $1,852,288.99.

Prepared by: Cliff Jarrard

THIS PRINT COVERS CALENDAR ITEM NO. 10A

l:2581acpt

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-54

WHEREAS, The Chief Harbor Engineer has prepared a final estimate of the total value of the work done in accordance with the subject contract; and

WHEREAS, the Chief Harbor Engineer has performed a final inspection and has confirmed that the work covered by the contract has been fully and satisfactorily completed; and

WHEREAS, the final estimate is acceptable to the contractor; and

WHEREAS, under Section 6.27 of the San Francisco Administrative Code, the Executive Director must certify in writing that the work covered by the contract has been fully and satisfactorily completed in accordance with the plans and specifications; and

WHEREAS, receipt of a copy of such acceptance in writing shall constitute the Controller's authority to make final payment to the contractor; and

WHEREAS, acceptance of final payment by the contractor shall constitute and be considered as a complete release of the Port by the contractor from any and all future claims against the Port for compensation of damages under the contract; therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes final payment to Pressure Grout Company and for the Executive Director to accept all work under Pier 45 Earthquake Repair Project-Pressure Grouting, Contract No. 2581 for a total contract amount of $1,852,288.99.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

l:2581acpt

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MEMORANDUM

April 12, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang-O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Port Contract No. 2600, Approving a Declaration of Emergency for Removal of Damaged Building Facade at Piers 29 and 31

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION APPROVE THE DECLARATION OF AN EMERGENCY TO ALLOW A CONTRACTOR TO REMOVE THE DAMAGED FACADE AT PIERS 29 AND 31

A 20-foot long portion of the front facade of the bulkhead building at Pier 31 broke loose and fell 35 feet to the sidewalk. Port staff barricaded the sidewalk area for public safety. Subsequently, Port staff inspected the facility from the building roof and discovered cracking along the top of the facade for most of the length of the building, which includes both Piers 29 and 31. The engineering staff recommends, for the safety of the public, that this horizontal facade be removed in its entirety. This section is over 600 feet long and 20 inches high. Its removal will eliminate the danger of other portions of the facade falling in the future. The work is beyond the capability of the Port's maintenance force.

The Commission President advised the Controller of this emergency situation in a letter of March 24, 1994.

Port staff has prepared emergency contract plans and specifications for the work to remove the remainder of facade. The Engineer's estimate of the cost of the work is $35,000.

Prepared by: Cliff Jarrard

THIS PRINT COVERS CALENDAR ITEM NO. 10B

l:emer66

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-56

WHEREAS, a 20-foot long portion of the front facade of the bulkhead building at Pier 31 broke loose and fell 35 feet to the sidewalk, and

WHEREAS, the Port staff inspected the facility from the building roof and discovered cracking along the top of the facade for most of the length of the building, which includes Piers 29 and 31, and

WHEREAS, Port engineering staff recommends for the safety of the public, that this horizontal facade be removed in its entirety as its removal will eliminate the danger of other portions of the facade falling in the future, and

WHEREAS, four MBE/WBE contractors will be invited to submit bid proposals for the contract work on an emergency basis in accordance with Section 6.30 of the Administrative Code of the City and County of San Francisco, therefore be it

RESOLVED, that the Commission ratify the action of the President of the Commission contained in the letter to the Controller dated March 24, 1994 and authorizes the Executive Director to accept and approve the work after completion.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

l:emer66

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MEMORANDUM

April 19, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Approval of Parcel Line Adjustment at 156/160 Jefferson Street to Allow Sidewalk Widening

DIRECTOR'S RECOMMENDATION: APPROVE LEASE AMENDMENT WHICH ADJUSTS PARCEL LINE

On March 22, 1994, the Port Commission authorized the award of Contract No. 2597 for sidewalk improvements at Fisherman's Wharf. Construction of the Base Bid work, as shown on the attached site plan, commenced April 12, 1994, but Sidewalk Improvement Additive Nos. 1 and 2 encroach upon the existing leasehold of Port Lease No. L-7495 with Alioto Fish Company, Ltd. (Tenant).

The Tenant is willing to adjust its parcel line to accommodate Sidewalk Improvement Additive No. 1. This would be accomplished by amending the Lease to delete from the Premises Parcel A as shown in the attached Parcel Map and to add Parcel B. Both parcels contain 388 square feet.

Prepared by: Kirk Bennett

THIS PRINT COVERS CALENDAR ITEM NO. 10C

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-68

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581 (g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the Port Commission desires to construct sidewalk improvements that encroach upon the Premises of Lease No. L-7495; and

WHEREAS, the Port Commission and Tenant are mutually agreeable to adjusting the parcel lines of the Premises to accommodate the proposed sidewalk improvements by deleting a 388 square foot parcel at the front of the Premises and adding 388 square foot parcel at the rear of the Premises; therefore, be it

RESOLVED, that the Port Commission hereby approves an amendment to said Lease which adjusts the parcel lines of the Premises as described in the Memorandum of Agenda Item 10C for the Port Commission Meeting on April 26, 1994; and be it further

RESOLVED, that the Port Commission hereby authorizes the Executive Director of the Port in consultation with Port staff, to prepare a new legal description shown in the Premises as amended; and be it further

RESOLVED, that the Port Commission hereby authorizes the Executive Director to execute the Lease Amendment with the new legal description attached.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

April 19, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Ming Chang O'Brien
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Refunds and Allowances Report - March 1994

DIRECTOR'S RECOMMENDATION: APPROVE REFUNDS AND ALLOWANCES REPORT

Attached, for your approval, is the March 1994 Refunds and Allowances report for the period ending March 31, 1994.

Prepared by: John F. Conrad

THIS PRINT COVERS CALENDAR ITEM NO. 10D

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO.

RESOLVED, that the San Francisco Port Commission hereby approves the March 1994 Refunds and Allowances report.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of April 26, 1994.

_____
Secretary

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SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

MINUTES OF THE MEETING
APRIL 26, 1994

1. **ROLL CALL**

Meeting was called to order by President Preston Cook at 4:10 p.m. The following Commissioners were present: Preston Cook, Anne Halsted, James Herman, and Francis O'Neill. Commissioner Ming Chang-O'Brien was absent.

2. **APPROVAL OF MINUTES** - April 12, 1994 Minutes

Commissioner Preston Cook asked that the word "viability," on page 3 of the minutes, Item 6A, second paragraph, last word of the second sentence, be changed to "liability."

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; minutes of the April 12 Commission meeting, as amended, were adopted.

3. **SPECIAL ITEM** - No Action Taken

A. Special Commendation for James R. Herman (Resolution No. 94-70)

B. Special Commendation for Ming Chang-O'Brien (Resolution No. 94-69)

4. **EXECUTIVE**

A. Executive Director's Report

Mr. Bouey reported on the following three items:

1) Mr. Bouey stated there had been discussion for some time on the installation of appropriate signs on the Embarcadero. He showed the Commission a prototype of the sign. Absent objection from the Commission, staff will move to manufacturer and select sites for the signs.

Commissioner O'Neill commented that the sign is beautiful.

2) Mr. Bouey mentioned that he had spoken to each Commissioner concerning the highlights of his trip to Taipei and Korea. He added that there is some interest in San Francisco Port; however, staff must address those issues raised by the shipping lines. Port staff is working to resolve those issues over the next 4-8 weeks with the intent to put together proposals for at least three of the

shipping lines called upon. Given the Port's geographic disadvantage to the Port of Oakland, the trip was both enlightening and, at the same time, somewhat encouraging.

3) Mr. Bouey praised Mr. Gerry Roybal for his outstanding work on the cruise calls. Mr. Roybal has done yeoman work and has bolstered the number of ship calls for the next fiscal year to 44 from 31; and, this week, he pulled off a coup and for the fiscal year (95-96), we have now scheduled 55 ship calls. A better than 50% increase in the number of ships calling in San Francisco. What's more, the estimated number of passengers will be in excess of 75% of those currently visiting San Francisco via the cruise lines. He is to be commended for a job well done.

5. **CARGO SERVICES**

A. Authorization to issue Request For Proposals (RFP) to select a proposed tenant for a five-year lease of Pier 48 and portion of Seawall Lot 337 at Terry Francois Blvd. (China Basin) for use as a maritime, maritime-related, or general warehousing facility. (Resolution No. 94-40)

Mr. Bouey reminded the Commission that the Board of Supervisors returned this lease to the Commission, feeling that they would be more comfortable if the Port went through an RFP process to provide all interested businesses an opportunity to occupy the space. Staff has put together a proposal that meets the requirements of the Seaport Plan as promulgated by BCDC but also allows for warehousing that is maritime related. Staff hopes to get a number of responses. If by chance it does not, it then would be an appropriate to approach BCDC and suggest that perhaps this particular site should not be subject to the Seaport Plan and staff should be allowed to RFP for other than maritime purposes. Staff recommends the Commission to approve the resolution.

Commissioner Herman commented that the chance of getting maritime related warehouse is slim. If there was a need, the Port would be in better shape than it is now.

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

6. **TENANT SERVICES**

A. Approval of Amendment to Lease with Pier Thirty-Three, Inc. to Allow Refinancing of Leasehold Mortgage for Premises in the Pier 33 Bulkhead Building. (Resolution No. 94-58)

Mr. Bouey stated that three floors of the Pier 33 Bulkhead Building are leased to Pier Thirty-Three, Inc., whose principal is Mr. Kevin O'Brien. The current base rent is approximately $48,000 annually against a percentage rental of between 6-10% depending upon the use. While the Master Tenant is in compliance with the lease, he

finds himself in default under a loan with a San Francisco bank, and that bank has initiated a foreclosure proceeding. Port staff finds itself in a position that if it does nothing, the bank will take over the leasehold and turn around and sell it to another tenant subject only to staff's reasonable approval. Staff has determined that it would be in its best interest to negotiate with this individual to see if perhaps a "win-win" situation can be created. To that end, staff worked with both the bank and Mr. O'Brien and propose a lease amendment today that does three things: (1) Port will receive 30%, instead of the 6-10% of the gross rent and reduces the breakpoint from $45,000 to $27,000 a month. (2) It allows Port staff to terminate the lease. Port would have an obligation to buy out the unamortized portion of the improvements that are financed by the bank; and (3) There is a dispute of whether an option for a lease extension exists. This amendment removes that ambiguity and defines the lease completion date as June 12, 2014. Staff recommends Commission's concurrence with the accompanying resolution.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; resolution was adopted.

B. Approval of Lease for Existing KSFO Radio Transmitter Towers located on SWLs 344/352, Amador Street. (Resolution No. 94-61)

Mr. Bouey stated that this item is probably one of the more unusual ones that the Commission will see. KSFO currently has two towers that operate on Seawall Lots 344/352. KSFO currently pays a rent of $18,000 a year. Throughout the Bay Area, the market for AM radio towers appears to be between $10,000 and $30,000 a year. Staff have been able to negotiate with the prospective buyer of KSFO, Capital Cities, a rent of $125,000 a year. Rent will be increased every three years by 1/2 per annum increase in CPI. The reason it's one-half is in recognition of the extremely high rent. Port is also giving KSFO the right to relocate, after one year. Given the cost and expense of relocating, it's unlikely that KSFO will exercise this option in the near future. From the Port's perspective, while Port will lose the $125,000 rent, staff believes that in the long term perhaps KSFO can be better accommodated elsewhere on Port property. In terms of future development, Capital Cities acknowledges and agrees not to interfere with the prospective cogeneration plant and agrees to provide Port and its tenants the access to other adjacent parcels that the Port might rent to new or existing tenants. The Commission has been given a substitute resolution indicating that the lease amendment is subject to Capital Cities purchasing KSFO; staff recommends the Commission's approval.

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

Commissioner Cook thanked staff on some very good negotiating. He indicated that this is the kind of negotiation that Port needs to do. Although KSFO is paying a great deal of money for this lease, Commissioner Cook believes it's still a fair and justifiable lease. He thinks that it's a wonderful beginning for renegotiations of some of the existing leases when it comes to market or changes in the leases, it's an opportunity for us to take a look at what the market is and to proceed accordingly.

Mr. Bouey thanked Commissioner Cook and requested that he make the same speech to the General Manager of KSFO Radio.

C. Approval of three (3) year leases pursuant to the Commission's Retail Tenants Leasing Policy, for Boondock's Restaurant (Pier 28), Peer Inn Restaurant (Pier 33), Pier One Deli, Pier 23 Cafe, Red's Java House (Pier 30) and Bay Blossom (Ferry Building). (Resolution No. 94-63)

Mr. Bouey stated that these are a straightforward 3-year leases per Commission's previously voted upon policy, to enable existing tenants time to develop both a business plan and capacity to raise funds to make improvements in their properties. Noteworthy is the continuing direction that the Port has taken over the last several months to increase percentage rents. Except for the flower store which will pay a percentage rent of 10%, the other leases call for an increase to 7% from 6%. Staff asks for Commission's concurrence on the attached resolution.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; resolution was adopted.

Ms. Flicka McGuirrin, Pier 23 Cafe, stated that they are going through a lot of stress with the Embarcadero freeway being torn up. They expected this but feel that in the last few weeks the communication with the Port, over the lease issues and the small businesses, has been poor. It seems to her that for the Port to protect percentage rents and the revenues that small businesses generate, that it would be in the Port's best interest to work with them and help them through these trying time; keeping rents as they are. The minute her doorway was torn up, her rent was immediately raised and she owed a big security deposit to the Port. All this happened last week, and surprised her. She's prepared to deal with it but is not happy about it. She's thrilled that she has a 3-year lease but her business interest and the Port business interest need better communication. Ms. McGuirrin doesn't understand why Port, BCDC and Mayor's office don't get together and waive the red tape and look at the small businesses' needs such as parking, signage, and access in order to keep them alive and well during this waterfront project. They are fighting for their lives, fighting for parking, fighting for signage, fighting for access and they are not getting any help. It's in the Port's best interest to help them out. Ms. McGuirrin stated that although she is making these points now, she still has many other points to address but will put them in writing to the Commission.

Commissioner Halsted's impression was that Flicka has taken an operation that was not doing very well but turned it around and made it prosperous. She urged staff to be constructive in the suggestions that come forth from the tenants. Mr. Bouey believed that Ms. McGuirrin raised a very valid point and also agreed with her that we should march together. Staff did work out a number of issues with the CAO's office with regard to the construction of the roadway. Unfortunately, a number of those issues that staff thought resolved were not as a result of poor communication between the CAO's office and their contractor. He stated that that's not to absolve the Port of its responsibility; we have to redouble our communication efforts. He pointed that Kirk has been spending considerable time with the CAO's project

manager to work out a number of construction-related problems that have occurred over the last ten days. He asked that Kirk recontact Ms. McGuirrin, as well, to make sure we are talking to other tenants.

Commissioner O'Neill commented that several of the staff have put in a number of hours at meetings with the Dept. Public Works, who is in charge of the Embarcadero improvement project. We are working on four lanes plus access, signage and parking. Ms. McGuirrin's comments were well taken and staff will work on them. He stated that there is a project manager who reports to Emilio Cruz and suggested that Port staff not only contact that person but Ms. McGuirrin should contact him as well. Ms. McGuirrin stated that she is in constant contact with him and Mr. Palma; they have been very helpful and responsive. She has no complaints with them.

Mr. George Apostolou, owner of Pier One Deli, has been on the property for 25 years. He read the lease which offers him three years but Section 4.2, page 6, mentions about termination of the lease. He asked for clarification or explanation on what type of security the Port is extending to Pier One Deli in particular. He emphasized that he is not talking against the Port or the administration. He's a good tenant and would like to know how far the three year lease is secured to himself and his business.

Commissioner Cook commented that was a valid question and asked Kirk Bennett to reply. Mr. Kirk Bennett, Acting Director Tenant Services, stated that the clause referred to gives the Port a right to terminate leases with 6 months notice. This is included in all the standard leases on the northern waterfront and it's not singling out these particular tenants; it's a standard clause that's been added to protect future development.

Commissioner Herman inquired about Mr. Apostolou's apprehension of what appears to be a 3 year lease, but could turn out to be something less. After he's there for 8 months, and has made a substantial investment and improvements in his facility and he's advised that within 60 days he has to vacate the property. His concern was money that cannot be recovered from a small businessman and wonders if they can secure some relief from what appears to be a very difficult dilemma. He inquired if there was any possibility of providing relief from that condition.

Mr. Bennett stated that staff is very sensitive to that particular concern. The way the particular clause is written it provides for tenant with improvements, approved by the Port and with the necessary building permits. If the Port exercised the 6-month option, the unamortized portion of those improvements over the remaining term would be paid to cover that investment.

Mr. Bouey pointed out the three year period is to allow the tenants time to put together a business plan and capital plan. He thinks that most of these tenants will not make substantial investments based on a three year lease. If they did, they would come to the Commission. Commissioner Herman also wondered if the 1% increase is important or significant to the Port. Mr. Bouey stated that it is market rate and it's the Commission's policy to charge market rate rents. It's important from the

Commission's perspective that for upcoming restaurant negotiations, we make sure that we treat our tenants the same. If we start picking and choosing which tenants we will reduce rents, it may cause more problems than solutions. Commissioner Herman believes that the Port is trying to be fair and reasonable to these tenants. Mr. Bouey stated that in these difficult times, any increase poses a hardship. On the other hand, when staff looked at a strategy to employ, staff looked at one that would be most fair. He believes that at the end of the day, staff could have made a case for a higher percentage but did not.

Commissioner O'Neill requested a copy of the lease, in particular, Pier One. He stated that the 6-month cancellation clause is new to him, wondered if Commission voted for it. Mr. Bouey stated that he instigated the policy to maintain maximum flexibility for future developments and, in the interest of fairness for tenants, provides for the buy-out of the unamortized portion of improvements by the Port. While the Port wants to be fair with its tenants, it does not want to be in a position where a tenant who has just signed a lease could preclude a Port development. Commissioner O'Neill's thoughts were to protect long-term tenants. Hopefully now that things are getting better; he thinks that they should have first choice and first selection since their business is their livelihood and they have worked hard to build them. Mr. Bouey believes that the tenants will return in two years to negotiate for a long-term lease. He feels that these businesses are an important part of the Port and we need to work with them now and in the future. Commissioner Herman stated the tenants would be very anxious to get a long-term lease that will give them a level of security. Commissioner O'Neill asked for a clarification to Mr. Apostolou's comments regarding "public or private developments." Mr. Bennett stated that the clause refers to developments that can be done either as a public project or a private development project. It could be done by a private entity through a Master lease of some type, in which the Port controls the terms and parameters. Commissioner Cook stated that this reflects the Port's determination to try to negotiate fair leases and more market-oriented leases with our tenants. What's important is to make sure that the services are there for the tenants. He believes this is a good deal for the tenants and the Port. Commissioner Cook thanked staff and asked tenants to be patient with staff and address the Commission on any issue. Commissioner Halsted commented that the nature of each operation is that they are run by local people and operated for local people as well as the tourists. They have a special nature for the Port and encouraged staff to build a positive relationship with our tenants.

7. **ENGINEERING**

A. Approval to Issue a Type 2 Contract Modification to Contract 2586, "Ferry Building Seismic Repair Stage I," for $135,807.95 (Resolution No. 94-65)

Mr. Bouey stated this is a straightforward item. Given the nature and age of the building and the damage suffered because of the earthquake, some of that damage was hidden and was found as work is performed. This is the 5th modification of this contract. FEMA has approved this project and will pay for all the additional work to be done. Staff recommends that Commission adopt the attached resolution.

ACTION: Commissioner Herman moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

B. Approval to Issue a Type 2 Contract Modification to Contract 2597, "Fisherman's Wharf Sidewalk Improvements," for $36,852.50 (Resolution No. 94-66)

Mr. Bouey stated that this was a fast track contract. It was put out to bid before the design work. One of the issue that staff thought to treat experimental was trees. Fisherman's Wharf has now seen what Port would like to put in, instead of just a few trees as originally planned, has asked that trees be installed along the entire sidewalk. Additional electrical work is necessary to light the trees. They have also asked Port staff to put in a concealed Christmas tree stand at the corner of Jefferson and Taylor Streets as they intend to put up a 70-100 ft. tree during the Christmas season. While this is an amendment, it was contemplated from the beginning that staff would amend this contract. Staff asked for concurrence with the attached resolution. Commissioner Cook commented that it sounds like a good plan, good amendments, and good changes.

ACTION: Commissioner Herman moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

8. PLANNING DEVELOPMENT & COMMUNITY AFFAIRS

A. Authorization to Apply for AB434 Grants from the Bay Area Air Quality Management District for a Demonstration Transportation Service in the Ferry Building and ferry service to Candlestick Park. (Resolution No. 94-57)

Mr. Bouey stated that under this item, Commission is not being asked for any action other than simply allowing Port staff to apply for the grant. On the second page of the agenda package, the three demonstration projects that staff will nominate for funds are: a water shuttle to Candlestick Park; an intermodal transportation store in the Ferry Building; and regional transit information kiosks along the waterfront. Staff asks for Commission's concurrence to apply for the grant funds.

Commissioner O'Neill inquired about a ferry service to Candlestick, and wondered if we can get it out to the Airport and will the Airport allow and encourage it. Mr. Bouey stated that in January, staff began conversations with the Airport. We are encouraged and it's a project which the Airport would like to see move forward.

Mr. Dave Feltham with the Planning Department of San Francisco spoke on this issue. He stated that Port may or may not know that their department sponsors transportation system management projects through the Prop B sales tax. One of the program areas that the Transportation Management Association Program sponsors is a candidate project called a "trip store". They are extremely supportive of this concept. His concern with regard to this particular application is that they have been progressing through their work program funded by the transportation authority over the last two years to get a "trip store" started in downtown San Francisco. They are about ready to begin implementation, hopefully, within the next 4-6 months. They

were first made aware of this application through the transportation authority and feels that there should be some coordination with their department on this particular proposal to see whether or not there's a way to coordinate the two programs to ensure that there is no duplication of effort. He stated that they have been unable to meet with Port staff to get more information. He'd like more information on the project, and doesn't want to hold up the project; however, he would like to see the program coordinated to the greatest extent possible.

Mr. Bouey stated this is the first that he's heard of this and does not know who on the Port staff Mr. Feltham attempted to contact. He's disturbed that he had attempted to get a hold of staff but no one has gotten back to him. Nonetheless, Mr. Bouey asked Commission to pass this resolution and will have Paul Osmundson meet with Mr. Feltham tomorrow. He stated that the Port certainly doesn't want to compete with other agencies and was sure we can work something out. Commissioner O'Neill stated that the Port has always cooperated with the Planning Department. It's his recollection that we have some Planning Department employees here at the Port. Mr. Feltham commented that he is not insinuating that Port staff has not been cooperative, but that he has not been able to coordinate a meeting with Port staff. Commissioner O'Neill reiterated that Port would like to cooperate and if we are not, the Commission should be notified.

ACTION: Commissioner Herman moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

B. Approval of Resolution Supporting the Proposed Emergency Legislation, State of California Senate Bill 1629. (Resolution No. 94-72)

Mr. Bouey stated that approximately two years ago, the Dept. of Fish and Game of California granted a permit for the creosote pilings in the San Joaquin River Delta area. The Solano County D.A. brought suit claiming that these waters were threatened by the creosote treatment. This has caused great concern throughout the Bay Area. The Port approximately a year ago, bought a complete new inventory of creosote pilings and have approximately $600,000 left in our inventory. Senator Marks has introduced an emergency legislation. It's Mr. Bouey's understanding that Oakland and other Ports in the Bay Area support the legislation. The legislation would allow staff to install creosote pilings where we already have them and only in salt water. To date, the only complaint of creosote piling has been in fresh water. Staff assumes that the Regional Water Quality Control Board will examine this issue. It's his understanding that at this point, they are not in opposition to the bill. With the Commission's concurrence, staff will take the legislation to the City/State Legislative Policy Board and ask for their concurrence as well. Staff asks Commission to adopt the attached resolution.

ACTION: Commissioner Herman moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

9. **INTERNAL SERVICES** - No Item Calendared

10. **CONSENT CALENDAR**

A. Authorization to accept Contract No. 2581, Pier 45, Earthquake Damage Repair Project, Compaction Grouting, at a final contract cost of $1,852,288.99. (Resolution No. 94-54)

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

B. Declaration of Emergency for Port Contract No. 2600, Emergency Removal of Parapet Plaster Ornamental Piece from the Bulkhead Buildings at Piers 29 and 31. (Resolution No. 94-56)

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

C. Approval of Parcel Line Adjustment at 156/160 Jefferson Street to allow sidewalk widening. (Resolution No. 94-68)

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

D. Approval of March 1994 Refunds and Allowances Report. (Resolution No. 94-71)

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

11. **EXECUTIVE SESSION**

A. At 5:05 p.m., Deputy City Attorney Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the status of the following litigation cases:

Peters v. CCSF, Superior Court No. 887-116
Stewart v. CCSF, Superior Court No. 946-753
Kraal v. CCSF, Superior Court No. 943-927

The City Attorney's office is of the opinion that based on existing facts and circumstances discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

B. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Pier 70 Foot of 20th Street
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director; Southwest Marine, Inc. (dba San Francisco Drydock) representative Mr. Carl Hanson.

An executive session has been calendared to discuss real property negotiations between the Port and Southwest Marine, Inc., a California corporation at Pier 70. This is specifically authorized under California Government Code Section 54956.8.

C. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

Commissioners Cook, Herman, Halsted, and O'Neill returned from Executive Session and convened in public session at 6:20 p.m.

ACTION: Commissioner Halsted moved approval to not disclose Executive Session discussions; Commissioner O'Neill seconded motion; all Commissioners in favor.

12. **NEW BUSINESS**

Mr. Bouey stated that per Commissioner Cook's suggestion, the "NEW BUSINESS" will appear before the "EXECUTIVE SESSION" item in all future agenda.

Meeting was adjourned.

NOTICE OF CANCELLATION

REGULAR MEETING - TUESDAY, MAY 10, 1994 AT 4:00 P.M.

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REGULAR MEETING
4:00 p.m., MAY 24, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - April 26, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

4. **CARGO SERVICES**

5. **TENANT SERVICES**

   A. Authorization to Re-Issue Request for Proposals regarding Curbspace Use Permit for Horsedrawn Carriages (Resolution No. 94-82)
   Approval of Curbspace Use Permit for Motorized Cable Cars (Resolution No. 94-83)
   Reject all Proposals and authorization to Negotiate Curbspace Use Permit for Mini Tour Buses at Fisherman's Wharf. (Resolution No. 94-84)

   B. Approval of Memorandum of Understanding with the Department of Parking and Traffic for Use of Space at Pier 70 (Resolution No. 94-62)

6. **ENGINEERING**

   A. Professional Services Contract No. SA 3902021, "Pier 70, Building 111, Earthquake Repair," T.Y. Lin, International, approval to execute Phase II final design work for $344,280. (Resolution No. 94-74)

7. **PLANNING DEVELOPMENT & COMMUNITY AFFAIRS**

   A. Authorization of Executive Director to enter into agreement with the Department of Public Works and the J.C. Decaux, Inc. for the installation & maintenance of self-cleaning toilets & advertising kiosks in Port jurisdiction.

   B. Hyde Street Harbor and Pier 45 Sheds A and C. Request authorization to advertise a Request for Proposals (RFP) for preparation of an environmental impact report (EIR). (Resolution No. 94-52)

8. **INTERNAL SERVICES**

9. **CONSENT CALENDAR**

A. Contract 2552, "Pier 94 Container Cranes Modifications," approval to accept the work for a final contract amount of $1,758,466 and make final payment to Rigging International. (Resolution No. 94-76)

B. Contract 2584, "Various Locations, Miscellaneous Earthquake Repairs," Frederick Meiswinkel, Inc., approval to execute Modification No. 4 for $31,301.54. (Resolution No. 94-73)

C. Approval of Lease with ISIS Imports at Pier 33. (Resolution No. 94-81)

D. Approval of Refunds and Allowances for the Period Ending April 31, 1994.

10. **NEW BUSINESS**

11. **EXECUTIVE SESSION**

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR:
Property: Port property located at Pier 70 Foot of 20th Street
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director; Southwest Marine, Inc. (dba San Francisco Drydock) representative Mr. Carl Hanson.

An executive session has been calendared to discuss real property negotiations between the Port and Southwest Marine, Inc., a California corporation at Pier 70. This is specifically authorized under California Government Code Section 54956.8.

C. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero station located at Market and Spear Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American sign language interpreters
- The use of a reader during the meeting
- A sound enhancement system
- Minutes of the meeting in alternative formats
- Large print of copy of an agenda

To allow individuals with environmental illness or multiple chemical sensitivity to attend the meeting, individuals are requested to refrain from wearing perfume or other scented products. Please help the City to accommodate these individuals.

PORT OF SAN FRANCISCO

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MEMORANDUM

May 20, 1994

TO: MEMBERS. PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey. Executive Director

SUBJECT: Authorization to Reissue a Request for Proposal ("RFP") regarding Curbspace Use Permit for Horsedrawn Carriages; Approval of Curbspace Use Permit for Motorized Cable Cars; and Authorization to Withdraw the RFP regarding Curbspace Use Permit for Mini Tour Buses at Fisherman's Wharf.

DIRECTOR'S RECOMMENDATION: AUTHORIZE REISSUANCE OF RFP REGARDING CURBSPACE USE PERMIT FOR HORSEDRAWN CARRIAGES; APPROVE ISSUANCE OF CURBSPACE USE PERMIT TO GROSVENOR BUS LINES, INC. FOR MOTORIZED CABLE CARS; AND AUTHORIZE WITHDRAWAL OF RFP AND TERMINATE OFFER REGARDING CURBSPACE USE PERMIT FOR MINI TOUR BUSES.

On February 8, 1994, the Port Commission adopted Resolution No. 94-20, which authorized Port staff to issue a RFP for the non-exclusive use of curbspaces at Fisherman's Wharf to operate three types of land excursions businesses. A RFP was subsequently issued requesting proposals for three Non-Exclusive Curbspace Use Permits for the three following types of excursion operations:

1. Horsedrawn Carriages (1 location).
2. Motorized Cable Cars (2 locations).
3. Mini Tour Buses (1 location).

THIS PRINT COVERS CALENDAR ITEM NO. 5A

The following responses were received to this RFP:

1. Horsedrawn Carriages - Two Non-Responsive proposals were received. One proposer offered less than the minimum required guaranteed and percentage fees, and the other proposer did not satisfy the specified minimum experience qualifications.

2. Motorized Cable Cars - Two Responsive proposals were received.

3. Mini Tour Buses - One Non-Responsive proposal was received. The sole proposer offered less than the minimum required consideration.

This determination of responsiveness was made by the Port staff with review by the City Attorney's office.

Regarding the Motorized Cable Cars' RFP, the selection panel reviewed the two proposals. The three-person selection panel was comprised of one member from the Port staff with property management expertise, one member of the Port staff with accounting expertise, and one member from the staff of San Francisco International Airport with land transportation expertise. The composition of the selection panel was approved by the Port EEO Specialist.

The two responsive proposals for this use permit were made by Cable Car Charter Inc., and by Grosvenor Bus Lines, Inc., dba Gray Line. The selection criteria, as authorized by the Port Commission, included operations, experience, and consideration. Based upon this criteria, Grosvenor Bus Lines, Inc., dba Gray Line received the highest score from the selection panel. A summary of the scoring is shown on the following table:

SCORING OF RESPONSES TO RFP
FOR CURBSPACE USE PERMIT FOR MOTORIZED CABLE CARS

CRITERIA	MAX. POTENTIAL SCORE	CABLE CAR CHARTERS, INC.	GROSVENOR BUS LINES, DBA GRAY LINE
Operations	60	44.0	44.0
Experience	60	42.0	47.0
Consideration	180	157.5	180.0
TOTAL	300	243.5	271.0
MONTHLY GUARANTEED FEE PROPOSED		$14,583.33	$16,666.67

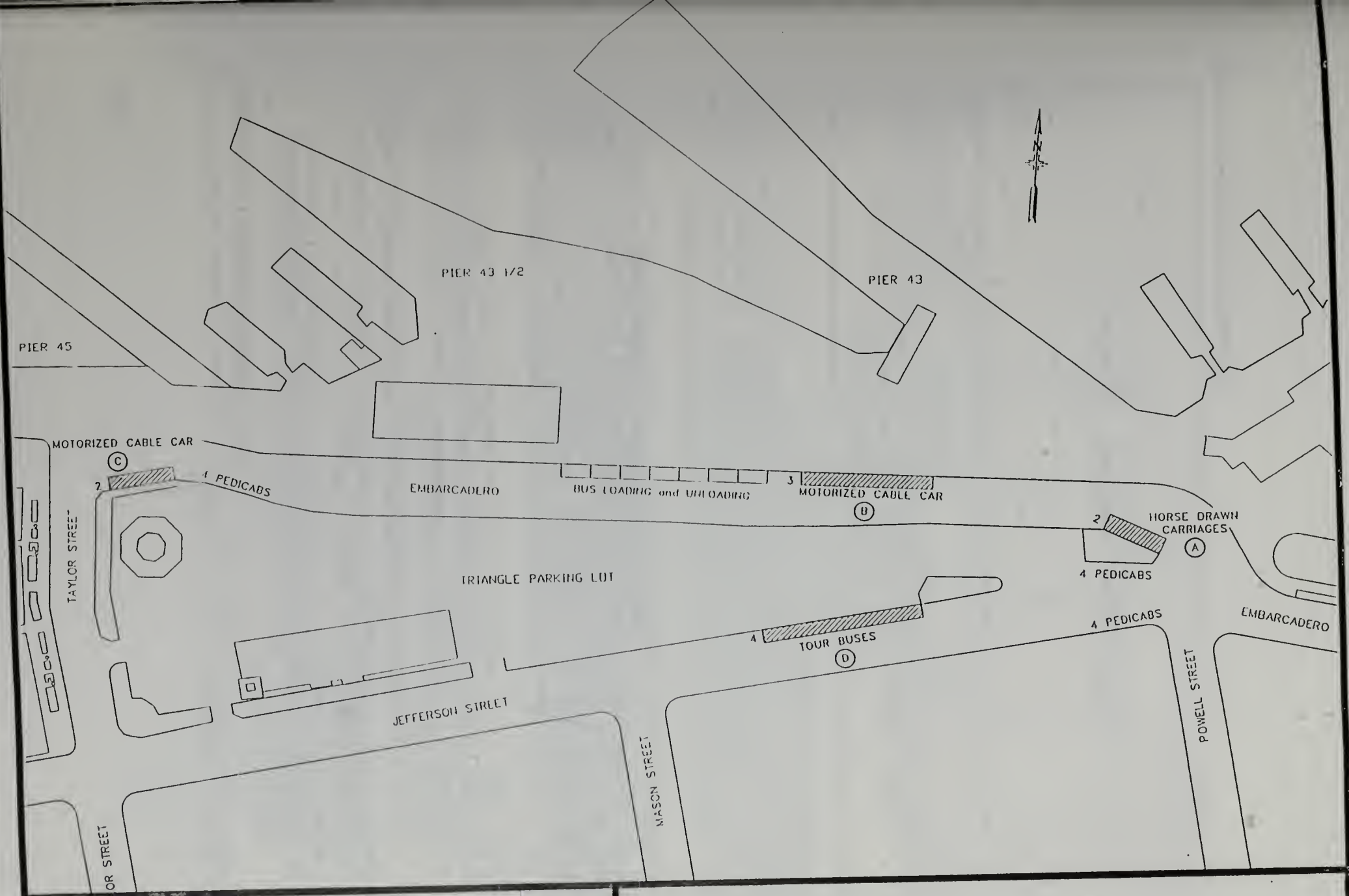
Port staff therefore makes the following recommendations regarding the three Non-Exclusive Curbspace Use Permits at Fisherman's Wharf:

1. Horsedrawn Carriages - Because two Non-responsive proposals were received for the Horsedrawn Carriages Curbspace Use Permit, staff recommends that a RFP be reissued for Space A (as shown on the attached site plan), with less stringent experience requirements and with both the percentage fee and the guaranteed fee to be proposed. The experience requirements are outlined on the attached resolution.

2. Motorized Cable Cars - Staff recommends that the Motorized Cable Cars Curbspace Use Permit for Spaces B and C be awarded to the proposer which received the highest score from the selection panel -- Grosvenor Bus Lines, Inc., dba Gray Line.

3. Mini Tour Buses - Because only one Non-responsive proposal was received for the Mini Tour Buses Curbspace Use Permit, staff recommends that the RFP for Space D be withdrawn and the offer be terminated. It would be the intention of staff to then negotiate a Non-Exclusive Curbspace Use Permit for mini tour buses at Space D, which would be submitted to the Port Commission for its approval.

Prepared by: Kirk Bennett, Acting Director, Tenant Services



FISHERMAN'S WHARF
PROPOSED CURB SPACE PLAN

SAN FRANCISCO PORT COMMISSION

ENGINEERING – Technical/Drafting Section 1994

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-82

WHEREAS, The Port Commission adopted Resolution No. 94-20 on February 8, 1994, approving the issuance of a Request for Proposal ("RFP") for Non-Exclusive Curbspace Use Permits for Horsedrawn Carriages, Motorized Cable Cars, and Mini Tour Buses at Fisherman's Wharf; and

WHEREAS, The RFP was issued on March 24, 1994; and

WHEREAS, Two proposals were received by the Port regarding the Non-Exclusive Curbspace Use Permit for Horsedrawn Carriages, but both proposals were Non-Responsive; and, therefore, be it

RESOLVED, The San Francisco Port Commission authorizes staff to reissue a RFP regarding a Non-Exclusive Curbspace Use Permit for Horsedrawn Carriages at Fisherman's Wharf, with the following terms and conditions:

a) Term - Month-to-month
b) Location - Space A as shown on the attached site plan.
c) Percentage Fee - Calculated and payable monthly, less the Guaranteed Monthly Fee. Proposers to propose the amount of the percentage factor to be used in calculating the Percentage Fee.
d) Guaranteed Monthly Fee - Proposers to propose the amount of Guaranteed Monthly Fee, with the minimum acceptable Guaranteed Monthly Fee being $750.00.
e) Selection Criteria - (i) Operations - 20%; (ii) Experience - 20% (Minimum Experience: 2 years prior experience running a horsedrawn carriages excursion business or 2 years of transferable experience), and (iii) Consideration - 60% (Amount of Guaranteed Monthly Fee proposed and the amount of the percentage factor proposed for calculating the Percentage Fee). Acceptable Affirmative Action plan must be submitted by successful proposer.
f) Insurance - Comprehensive general liability insurance coverage of at least $1 million CSL.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 24, 1994.

_____
Secretary

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-83

WHEREAS, The Port Commission adopted Resolution No. 94-20 on February 8, 1994, approving the issuance of a Request for Proposal ("RFP") for Non-Exclusive Curbspace Use Permits for Horsedrawn Carriages, Motorized Cable Cars, and Mini Tour Buses at Fisherman's Wharf; and

WHEREAS, The RFP was issued on March 24, 1994; and

WHEREAS, Two Responsive proposals were received by the Port regarding the Non-Exclusive Curbspace Use Permit for Motorized Cable Cars; and

WHEREAS, The Port convened a selection panel made up of Port and City staff with expertise in property management, accounting and land transportation to evaluate the proposals; and

WHEREAS, The selection panel scored the proposals; and

WHEREAS, Grosvenor Bus Lines, dba Gray Line, received the highest score from the selection panel; and, therefore, be it

RESOLVED, The Port Commission hereby authorizes the Executive Director to execute and enter into a Non-Exclusive Curbspace Use Permit for Motorized Cable Cars at Fisherman's Wharf with Grosvenor Bus Lines, dba Gray Line.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 24, 1994.

_____
Secretary

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-84

WHEREAS, The Port Commission adopted Resolution No. 94-20 on February 8, 1994, approving the issuance of a Request for Proposal ("RFP") for Non-Exclusive Curbspace Use Permits for Horsedrawn Carriages, Motorized Cable Cars, and Mini Tour Buses at Fisherman's Wharf; and

WHEREAS, The RFP was issued on March 24, 1994; and

WHEREAS, Only one Non-Responsive proposal was received by the Port regarding the Non-Exclusive Curbspace Use Permit for Mini Tour Buses; and, therefore, be it

RESOLVED, Port Commission hereby authorizes the Port staff to withdraw the RFP and terminate the offer regarding the Non-Exclusive Curbspace Use Permit for Mini Tour Buses at Fisherman's Wharf.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 24, 1994.

_____
Secretary

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MEMORANDUM

May 24, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of Memorandum of Understanding with Department of Parking and Traffic for Use of Land at Pier 70

DIRECTOR'S RECOMMENDATION: APPROVE MEMORANDUM OF UNDERSTANDING WITH DEPARTMENT OF PARKING AND TRAFFIC

Background

The Port presently leases approximately 7.72 acres of land (Parcel A) to the San Francisco Department of Parking and Traffic ("DPT") for towing and storage of illegally-parked and abandoned automobiles. This lease expires in 1997. DPT subleases Parcel A, pursuant to an Operating Agreement, to Pick Your Part, a corporation doing business as The City Tow ("City Tow"). City Tow runs the towing/storing operation for DPT.

City Tow leases another 1.03-acre parcel (Parcel B) directly from the Port under a month-to-month license. This parcel is adjacent to Parcel A, and City Tow also uses this parcel for storage of towed cars pursuant to its Operating Agreement with DPT.

DPT and City Tow now need additional land for car storage and wish to lease 4 acres (Parcel C) adjacent to Parcel A. The Port and DPT have mutually agreed that all three parcels should be consolidated into one agreement, constituting a Memorandum of Understanding ("MOU") between the Port and DPT.

THIS PRINT COVERS CALENDAR ITEM NO. 5B

Simultaneously with the execution of this MOU for the three parcels, DPT and City Tow would execute an Operating Agreement requiring City Tow to comply with all of the terms and conditions of the MOU, and in addition, the existing lease between the Port and DPT and the existing license between the Port and City Tow would be terminated.

Proposed Provisions of the MOU

1. Tenant - San Francisco Department of Parking and Traffic (DPT)

2. Premises - 12.75 acres at Pier 70 and SWL 349, comprised of:

   Parcel A: 7.72 acres (336,282 sf) of paved land
   Parcel B: 1.03 acres (45,050 sf) of unpaved land
   Parcel C: 4.00 acres (174,240 sf) of paved land

3. Term - Five years, commencing June 1, 1994

4. Rent

   a. Initial Rent

Parcel A:	$ 40,353.84 per month ($.12 per sq ft)
Parcel B:	$ 5,406.00 per month ($.12 per sq ft)
Parcel C:	$ 25,264.80 per month ($.14-1/2 per sq ft)
Total Rent:	$ 71,024.64 per month ($.13 per sq ft average)
	$852,295.68 per year

   This MOU represents increased rent of $25,264.80 per month (for Parcel C), or $303,177.60 for the first year.

   b. Rent adjusted annually by increases in the CPI.

Prepared by: Kirk Bennett, Acting Director, Tenant Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-62

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for a Memorandum of Understanding ("MOU") with the San Francisco Department of Parking and Traffic, as Tenant, the terms of which are set forth in the Memorandum of Agenda Item 5B for the Port Commission Meeting on May 24, 1994; therefore be it

RESOLVED, that the Port Commission hereby approves the business terms of that certain MOU, which terms are set forth in the Memorandum of Agenda Item 5B for the Port Commission Meeting on May 24, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 24, 1994.

_____
Secretary

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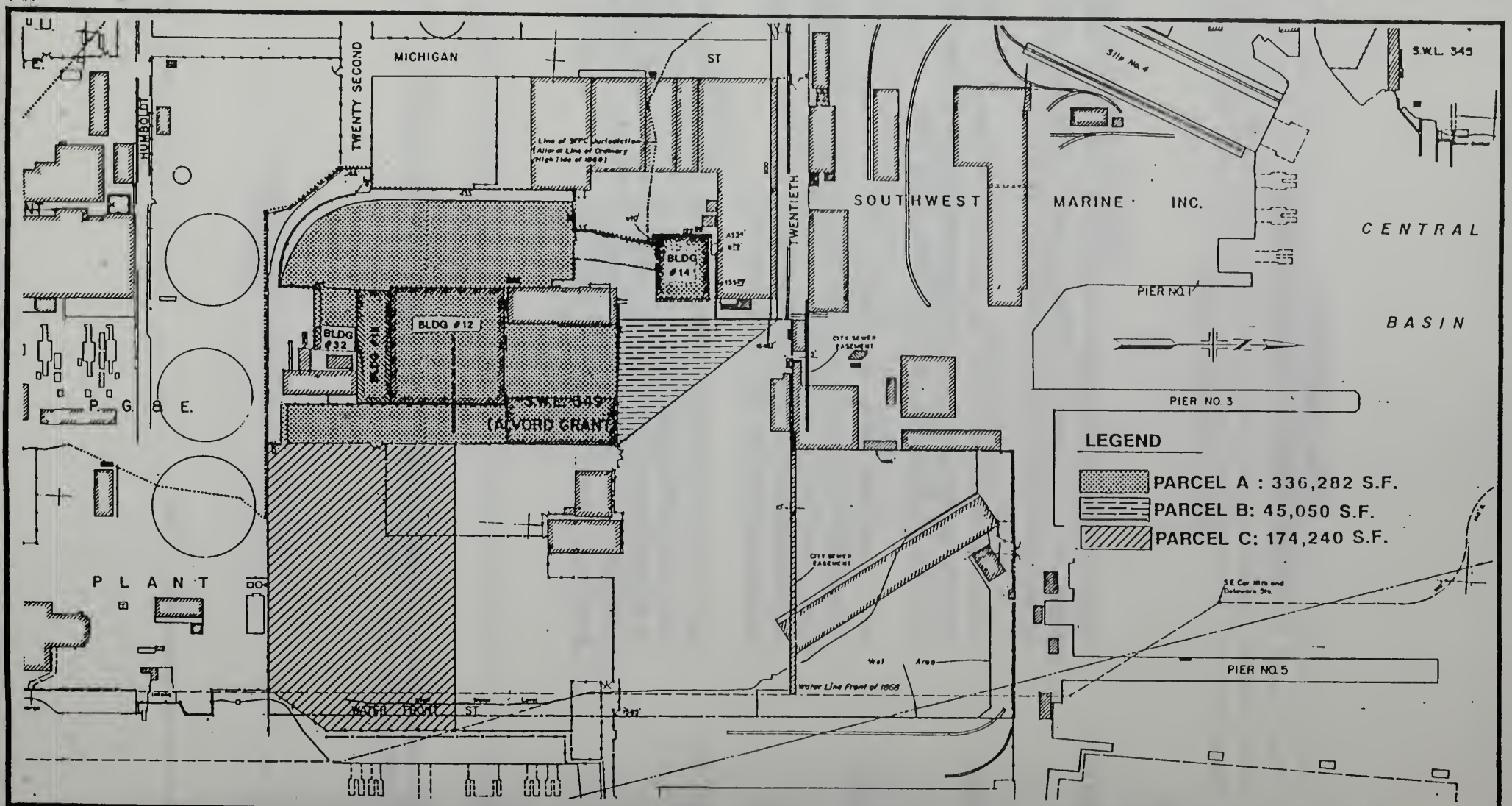

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

CHIEF HARBOR ENGINEER

SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

S.F. DEPT. OF PARKING & TRAFFIC

DESIGNED BY:	CHECKED BY:
DRAWN BY: R.C.	DATE: 3-14-94
CONTRACT NO.	SCALE: 1" = 200'
DRAWING NO. 3490	SHEET NO. OF SHEETS

PORT OF SAN FRANCISCO

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MEMORANDUM

May 17, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Professional Services Contract No. SA 3902021, "Pier 70, Building 111, Earthquake Repair", with T. Y. Lin International, Approval to Execute Stage II

DIRECTOR'S RECOMMENDATION: THAT THE PORT COMMISSION AUTHORIZE STAFF TO EXECUTE STAGE II OF PROFESSIONAL SERVICES CONTRACT NO. SA 3902021 WITH T.Y. LIN INTERNATIONAL, FOR $344,280.00.

The 1989 earthquake left Pier 70, Building 111 with structural damage requiring it to be evacuated. It is a four story building which housed the administrative offices of Southwest Marine. The Port needed outside structural engineering expertise to assess the damage and provide for repair design. Through the competitive RFP process, T. Y. Lin International was selected to provide engineering services for the structural and seismic evaluation of the damaged building. On November 13, 1990, the Port entered into a professional services contract with that consulting firm. Initially, T.Y. Lin was authorized to proceed only with Stage I of the contract at a cost of $34,980.00. This was to analyze the damage and provide a construction cost estimate for the repair. The consultant completed that work and estimated that the cost of repair would be approximately $3,100,000. This was significantly greater than the original Damage Survey Report (DSR) amount which was about $250,000. The Port used the consultant's repair cost estimate to request additional funds through a

THIS PRINT COVERS CALENDAR ITEM NO. 6A

agd-2021.byn

supplemental DSR from FEMA through OES. FEMA rejected the request pending resolution of a dispute between FEMA and the City and County of San Francisco over the interpretation of the current San Francisco Building Code. The dispute was similar to that over San Francisco City Hall. The Port then filed an appeal to FEMA and two years went by awaiting a legal decision which never came. Building 111 remained empty. The Port put the consultant contract on hold pending resolution of the appeal to FEMA.

Since the City Hall/Building 111 appeals seemed to be years away from being resolved, Port staff worked with FEMA/OES on an alternative. Through the regular DSR process, FEMA/OES agreed to pay for additional repair through Earthquake Hazard Mitigation funding. Under Stage I, T.Y. Lin had developed several design alternatives and cost estimates for the repair of Building 111. Port staff and FEMA/OES reviewed these design alternatives and cost estimates. FEMA/OES then prepared a supplemenal DSR to approve funding for the basic seismic repair, seismic hazard mitigation, and asbestos survey and removal. Total current value of the approved FEMA/OES funding is $1,654,150.00.

The Port now needs the consultant to execute Stage II of its contract and to refine the cost of repair and seismic upgrade to Building 111, in order to have FEMA/OES prepare an additional supplemental DSR for the necessary construction funds. Port engineering staff has negotiated with the consultant for Stage II work to be done at a cost of $344,280 which will be funded by FEMA/OES. The consultant's Stage II work will be done in two parts. The first part will include preparing a refined repair cost estimate. The consultant will then be placed on hold until the supplemental DSR is written by FEMA/OES. After the supplemental DSR is written, the Port can review the options it has. The Port can either have the consultant proceed with final design for repairing Building 111 or request through OES that the funds be used instead for an "improved project". The "improved project" would be to build a new building for the predisaster function (office use) with the funds from the DSR.

Port staff anticipates the refined construction cost estimate to increase to accommodate handicap access, mechanical and electrical repair and additional foundation modifications. Port staff anticipates the additional estimated construction costs to be fully funded by FEMA/OES.

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-74

WHEREAS. After conducting a competitive RFP process. on November 13. 1990. the Port entered into a professional services engineering contract with T.Y. Lin International to perform structural and seismic evaluation of the Pier 70 Building 111 earthquake damaged building; and

WHEREAS, T. Y. Lin was initially authorized to proceed only with Stage I work for $34,980.00; and

WHEREAS, after the consultant completed Stage I work, it was put on hold pending an appeal by the Port to FEMA over the interpretation of the San Francisco Building Code: and

WHEREAS, the Port could not direct the consultant to proceed with final repair design until the appeal was resolved, whereby the repairs would be fully funded; and

WHEREAS. as an alternative. Port staff has worked with FEMA/OES to obtain repair and upgrade money through the Hazard Mitigation process, where part of the funds are classified as improvement funds; and

WHEREAS. FEMA/OES has approved funding for the basic seismic repair. seismic hazard mitigation. and asbestos survey and removal, with the total current value of the approved FEMA/OES funding equal to $1,654,150; and

WHEREAS, now the consultant is needed to further investigate repair needs and refine the construction estimate - for the Port to request additional supplemental DSR funds - and provide final design for those repairs; and

WHEREAS, Port staff anticipates the refined construction cost estimate to increase to accommodate handicap access, mechanical and electrical repair and additional foundation modifications; and

WHEREAS, once all of the supplemental DSR's are prepared to perform the repairs and upgrade to Building 111, the Port will have the option of performing the repair work or requesting that the funds instead be used for an "improved project" to construct a new building for the predisaster function; therefore be it

RESOLVED, That the San Francisco Port Commission hereby authorizes the execution of Stage II of the professonal services contract with T.Y. Lin at a cost of $344,280.00 which will be funded by FEMA/OES.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 24, 1994.

_____
Secretary

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PORT OF SAN FRANCISCO

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MEMORANDUM

May 24, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Authorization of Executive Director to enter into agreement with Department of Public Works and J.C. Decaux Inc. for the Installation and Maintenance of Self-Cleaning Toilets and Advertising Kiosks in Port Jurisdiction.

DIRECTOR'S RECOMMENDATION: AUTHORIZE EXECUTION OF AGREEMENT.

Project Description
The Department of Public Works (DPW), in cooperation with the Port and the Chief Administrative Officer, has selected the J.C. Decaux Company to install, in the first phase of work, up to 27 toilets and 165 public information kiosks throughout the downtown area of San Francisco, as a first phase of a 20 year project. The agreement with the Decaux Company allows the eventual installation of 50 toilets and 268 kiosks total. In the initial phase, 4 toilets and 8 kiosks are proposed on Port property.

The toilets will be provided and installed without cost to the Port or City. The cost of installation and on-going maintenance will be funded by revenue generated from two advertising panels in each of the public service kiosks. Drawings of the kiosk and toilet are attached.

Proposed Locations in Port Jurisdiction
Port Staff has worked with the Decaux Company and Port tenants to identify locations for the proposed kiosks and toilets in Port jurisdiction. The following locations are possible sites:

THIS PRINT COVERS CALENDAR ITEM NO. 7A

Proposed Toilet Locations
- Two Locations along the Pedestrian Promenade (between the Agriculture Building and Pier 22 1/2).
- Pier 7 Marginal Wharf (between Pier 5 Bulkhead and the Waterfront Restaurant).
- Pier 47 A, as part of the public access improvement project.

Proposed Kiosk Locations
- Pier 1/2 (North Commuter Ferry Terminal) -- possible newspaper kiosk.
- Pier 7.
- Entrance to Pier 39 -- possible trial site for interactive information video screen.
- Mid-block of Taylor and the Embarcadero (across from the Grotto).
- Pier 41 in line with bollards along the Embarcadero (could be interactive video).

Temporary Kiosks locations (maybe subject to relocation due to the Embarcadero Roadway project)
- Western traffic island at Broadway and the Embarcadero.
- Central traffic island in front of Pier 3.
- Central traffic island (eastern side) in front of Ferry Building -- possible newspaper kiosk.

Outstanding Issues
There are several issues the Port Commission should be aware of in authorizing execution of this contract.

1. Financial Implications.

The proposed facilities are proposed to be installed at no cost to Port and will be maintained with revenue from advertising in the kiosks. However, there are several areas where the Port might incur additional costs.

Additional costs may be incurred along the water if due to the weight of each toilet extra pilings and structural support is needed. The proposed contract establishes an allowance of $20,000 per toilet and $10,000 per kiosk for installation. The contract has been amended to allow up to $40,000 per toilet in two locations within Port jurisdiction. In all other locations, Decaux will look to the Port and/or City to make up difference on high cost installations. To date, no engineering drawings have been submitted for Port locations.

Should circumstances require that more than 1 toilet and/or 3 kiosks be relocated in any one year, the Port will have to pay for the cost of relocation. The relocation limits apply to all City and County Departments. As a result, Port relocation requests will have to compete with requests from other City Departments on an annual basis. Relocation may cost as much as $40,000 per toilet and $20,000 per

kiosk. The three kiosk locations within the Mid-Embarcadero will have to be re-positioned in accordance with these provisions.

2. Conflicts with Advertising on MUNI Transit Shelters.

Port Staff has met with MUNI Railway Staff concerning potential conflicts over the proposed advertising kiosk locations and the proposed F-Line and MMX stops along the Embarcadero which will also include advertising.

The MUNI believes that the Port agreed to the installation of two advertising panels for each stop of the F-Line and the MMX by signing the MOU for the Waterfront Transportation Projects. The MOU incorporates Urban Design Guidelines which establish parameters for the shelters along the Embarcadero. The design guidelines do not explicitly mention that every transit shelter along the Embarcadero will contain advertising panels. In any case, further review of the design of the transit shelters, as well as proposed amendments to the Planning Code to allow advertising in transit shelters along the Embarcadero are required and will be brought to the Port Commission for review and approval at a later date.

Port staff has informed the Decaux representatives, as well as DPW and MUNI, that the proposed kiosk locations in the mid-Embarcadero Roadway area from Folsom to Broadway, are temporary and will be subject to relocation as part of the Mid-Embarcadero project. There may be a period of time when the kiosks are stored and then re-installed after construction is completed on the roadway. Relocation of all utilities in the Mid-Embarcadero will be part of that projects costs. As it may not be possible to incorporate both the Decaux kiosks and the transit shelters with advertising in the Mid-Embarcadero area, other locations for the kiosks and/or transit shelters without advertising panels may have to be examined.

3. Additional Locations at the Port.

The provisions of the contract allow for installation of a total of 50 toilets and 268 kiosks over the 20 year term of the contract. Additional locations for kiosks in Port jurisdiction may be sought by the Decaux Company in the future due to the placement of additional toilets elsewhere in the City. Port Staff has requested that all locations on Port property throughout the life of the contract be identified and proposed for the Port Commissions review and approval. To date, only the locations mentioned above have been proposed on Port property. There are no further obligations on the part of the Port to accept additional locations.

Next Steps
The Board of Supervisors is scheduled to authorize execution of the contract before the end of May. The signing of the contract will allow DPW to hold public hearings on the proposed toilet and kiosk locations.

Port staff is proposing to work with Decaux and MUNI to resolve the locational issues involved in the Mid-Embarcadero (discussed above), identify any additional toilet or kiosk locations in Port jurisdiction (to be installed over the remaining years of the contract) and schedule a hearing before the Commission for review and approval of locations in the Port's jurisdiction by July 26, 1994

Prepared by: Sharon Lee Polledri

SLP/fj/1:TOILET2

JCDecaux United Street Furniture

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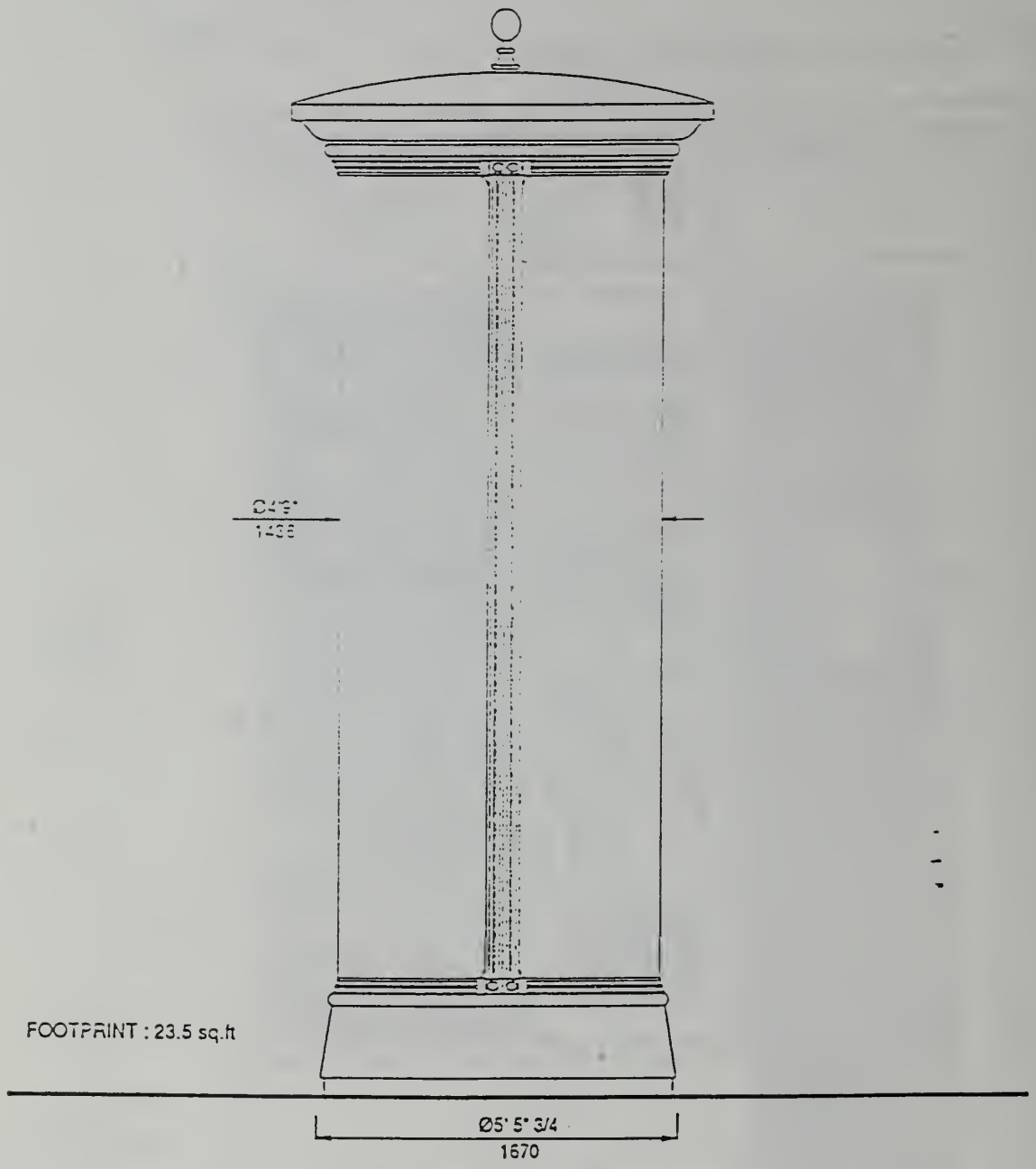
PILLAR KIOSK



JCDecaux United Street Furniture

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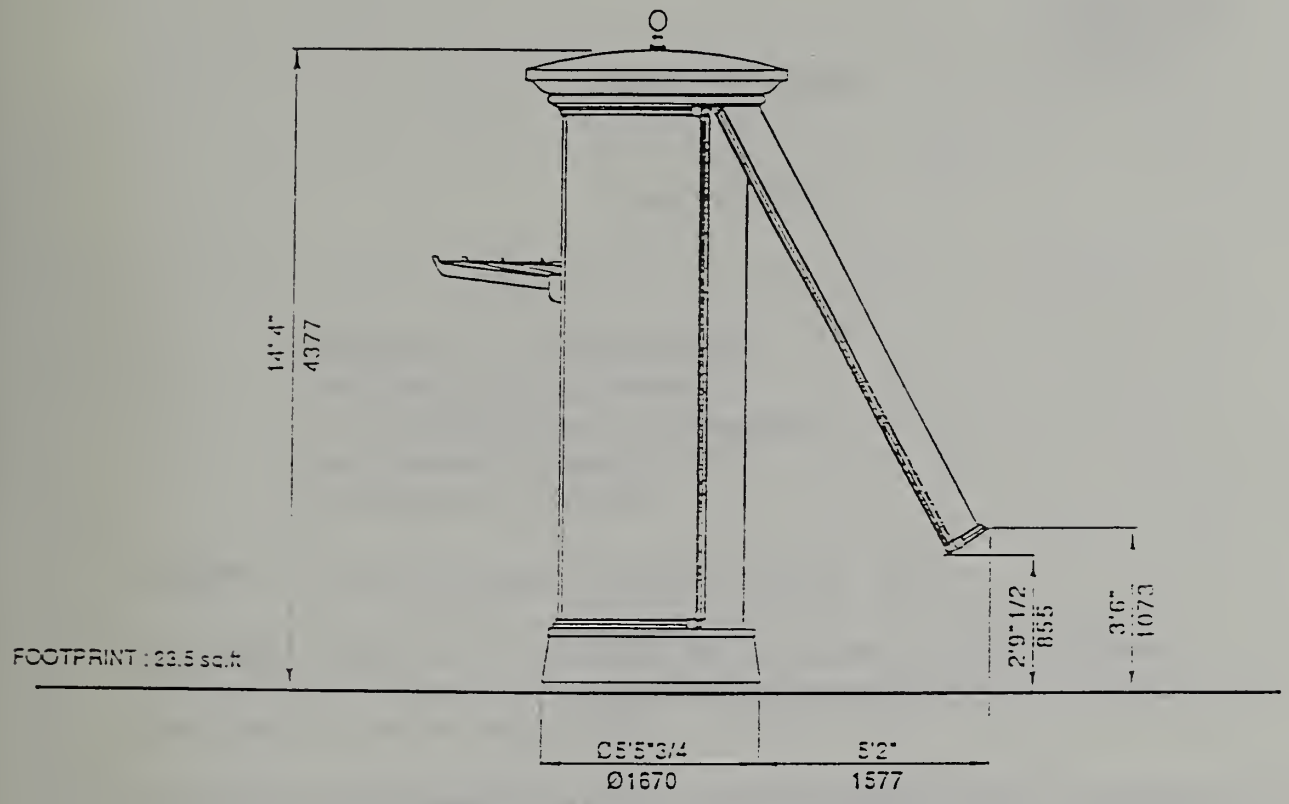
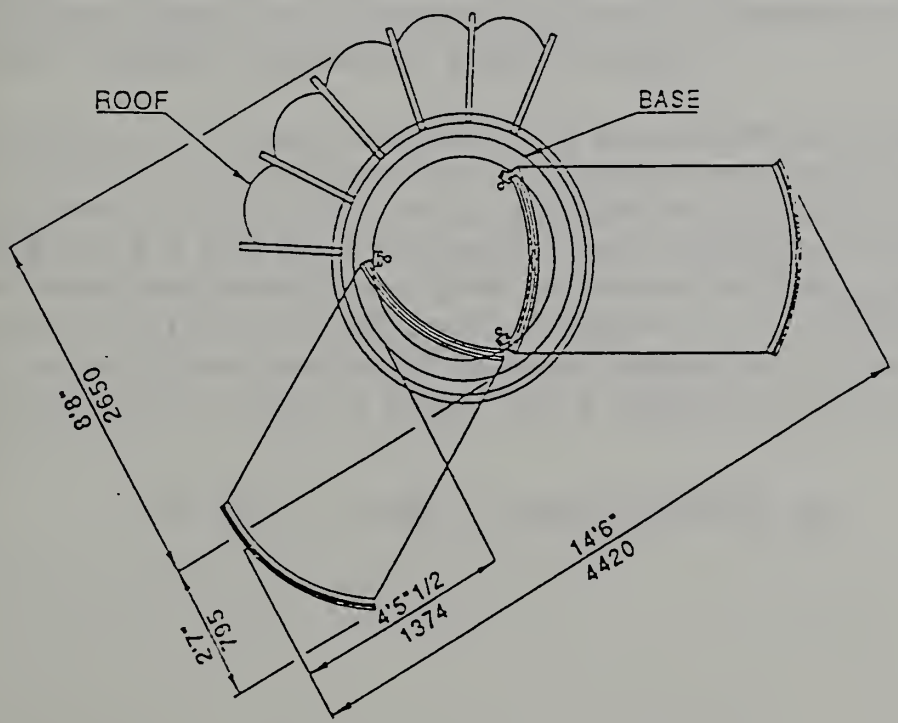
DOOR OPENING
NEWSSTAND KIOSK





JCDecaux United Street Furniture

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PORT OF SAN FRANCISCO

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MEMORANDUM

May 16, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Hyde Street Harbor and Pier 45 Sheds A and C. Request authorization to advertise a request for proposals (RFP) for preparation of an environmental impact report (EIR).

DIRECTOR'S RECOMMENDATION: ADOPT RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ADVERTISE A REQUEST FOR PROPOSALS FOR PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR HYDE STREET HARBOR AND PIER 45 SHEDS A AND C.

Background. The Hyde Street Harbor is a proposed 88 berth harbor located to the east of the Hyde Street Pier. It is part of a series of improvements in the Fisherman's Wharf area, including: a 1,200 foot breakwater completed in 1986, and $11.6 million in earthquake repairs currently underway at Pier 45 with substantial funding from FEMA. In addition, the leasing program for sheds B and D at Pier 45 has begun, to lease the newly reinforced sheds for fish processing and handling. A feasibility analysis also is underway to determine the best uses for sheds A and C located on the east side of Pier 45.

THIS PRINT COVERS CALENDAR ITEM NO. 7B

In the mid-80's, these improvements were known collectively as the "Seafood Center". The Port began environmental review of the project by preparing a Negative Declaration of Environmental Impacts, in 1988. Agreement on mitigation measures was never reached with the community and the document was never certified. The scope of the project has since changed due to the 1989 earthquake and extensive seisimc repairs now under construction at Pier 45. As a result of the issues raised and changes in project scope, Port staff recommends the preparation of an Environmental Impact Report (EIR) to thoroughly address all potential impacts. The EIR will evaluate the harbor, the new uses proposed for sheds A and C at Pier 45, and other related activities within the project boundaries.

Current Project Description. The Hyde Street Harbor includes berthing for 88 boats, parking for 50 cars, a harbormaster's building, a convenience store for fishermen, and a new fuel dock with a work hoist. The cost of the project is estimated at approximately $8.0 million. Staff also investigated an alternative that achieves the overall project objectives as supported by the community but at a cost of $6.2 million. This alternative has a shorter pier with some parking on land rather than on the pier, and reuses the existing fuel dock. Both options will be studied in the EIR. Currently, staff is applying for $4.8 million in loans from the California Department of Boating and Waterways as authorized on March 22, by the Commission. With a $4.8 million loan, a $1.4 million subsidy is necessary to support the lower cost alternative. Staff is currently seeking grant money to close the capital funding gap. No operating subsidies are anticipated at this time.

The Port is conducting a feasibility analysis to determine the appropriate uses for sheds A and C located on the east side of Pier 45, utilizing grants from the National Oceanic and Atmospheric Administration. Uses being considered include: a fisheries center which may house an array of industry support and public education components, conference center, retail, office, and parking.

Schedule and Budget. To refine the best mix of uses for sheds A and C, community outreach meetings will be held in June and July. In August, three alternatives for sheds A and C will be presented to the Port Commission. By proceeding with the RFP for the environmental impact report in early June, the Port will have a consultant on board by the first of September, allowing the EIR to move forward immediately after a decision by the Port Commission on the uses for sheds A and C. The EIR is anticipated to take 18 months to complete, followed by reviews by the Bay Conservation and Development Commission (BCDC), the Army Corp of Engineers, and the Regional Water Quality Control Board.

The cost for preparing the EIR including consultant and City processing fees is estimated at $300,000. The Port has designated adequate funds in the FY 1993-94 capital plan for this project.

Prepared by: Sharon Lee Polledri

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-52

WHEREAS, the Port Commission has adopted a development plan for revitalization of the commercial fishing industry at Fisherman's Wharf, including the provision of new vessel berthing facilities and provision of new shoreside fish distribution facilities; and

WHEREAS, the Port Commission has prepared a detailed design of the harbor facilities and conducted a feasibility study which showed the harbor project to be justified by market demand, feasible from an engineering perspective, and economically justified; and

WHEREAS, the Port Commission is conducting a feasibility analysis with community outreach to determine the most appropriate uses for sheds A and C on Pier 45; and

WHEREAS, the proposed Hyde Street Harbor and uses on Pier 45 must be evaluated to assess the potential environmental impacts, pursuant to the California Environmental Quality Act (CEQA); and

WHEREAS, given the scope of the project, it is anticipated that an Environmental Impact Report (EIR) will be required; therefore be it

RESOLVED, that the Port Commission approves the issuance of a Request for Proposals (RFP) in substantially the form attached hereto for a environmental consultant or team of consultants to evaluate the environmental impacts of the Hyde Street Harbor and uses on Pier 45 primarily in Sheds A and C; and be it further

RESOLVED, that the Port Commission authorizes Port staff to enter into negotiations with the highest ranked consultant identified through the RFP process to establish a formal scope of work and contract provisions; and be it further

RESOLVED, that any contract negotiated with a consultant shall be brought before the Port Commission for approval.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of _____

_____
Secretary

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

May 17, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Contract 2552, Pier 94, Container Cranes Modifications, Authorization to Accept Contract and Make Final Payment to Rigging International

DIRECTOR'S RECOMMENDATION: THAT THE PORT COMMISSION AUTHORIZE THE EXECUTIVE DIRECTOR TO ACCEPT ALL WORK ON CONTRACT 2552 AND FOR STAFF TO MAKE THE FINAL PAYMENT OF $175,847 TO RIGGING INTERNATIONAL, FOR A TOTAL CONTRACT COST OF $1,758,466.

On June 9, 1993, the Commission authorized the award of Contract 2552, Pier 94 Container Cranes Modifications, to Rigging International for $1,679,366, and further authorized $167,937 for 10% contingencies.

Awarded amount:	$1,679,366
10% Contingencies:	167,937
Total:	$1,847,303

THIS PRINT COVERS CALENDAR ITEM NO. 9A

agd-2552.sz

The scope of this work was to modify the two Star Container Cranes at Pier 94 to increase their clear lift over higher high water from 88 feet 6 inches to 105 feet 6 inches. It also increased their lifting capacity from 30 long tons to 40 long tons.

Construction began on June 23, 1993 and Modification No. 1 was issued on 1/14/94 for $79,100, making the total contract amount $1,758,466. The modification was to strengthen the gantry trucks of both cranes to safely carry the new design loads and to add a reinforced pad under each trolley rail of each crane.

The Contractor, Rigging International, has satisfactorily performed the work within the time allowed and under the total authorized budget. The Chief Engineer has performed a final inspection and has confirmed that the work covered in the contract has been fully and satisfactorily completed in accordance with the plans and specifications.

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-76

WHEREAS, the Chief Harbor Engineer has prepared a final estimate of the total value of the work done in accordance with the subject Contract; and

WHEREAS, the Chief Harbor Engineer has performed a final inspection and has confirmed that the work covered by the Contract has been fully and satisfactorily completed; and

WHEREAS, the final estimate is acceptable to the contractor; and

WHEREAS, under Section 6.27 of the San Francisco Administrative Code, the Executive Director must certify in writing that the work covered by the contract has been fully and satisfactorily completed in accordance with the plans and specifications therefor; and

WHEREAS, receipt of copy of such acceptance in writing shall constitute the Controller's authority to make final payment to the contractor; and

WHEREAS, final payment acceptance by the contractor shall constitute and be considered as a complete release of the Port by the contractor from any and all future claims against the Port for compensation or damages under the contract; therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes final payment to Rigging International and for the Executive Director to accept all work under Contract 2552, Pier 94 Container Cranes Modifications, and to make final payment to Rigging International for a total contract amount of $1,758,466.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 24, 1994.

_____
Secretary

agd-2552.sz

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MEMORANDUM

May 17, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Construction Contract No. 2584, "Various Locations, Miscellaneous Earthquake Repairs", Frederick Meiswinkel, Inc., Approval to Issue Contract Modification No. 4

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION AUTHORIZE STAFF TO ISSUE CONTRACT MODIFICATION NO. 4 TO FREDERICK MEISWINKEL, INC. FOR $31,301.54.

On July 28, 1993, by Resolution No. 93-91, the Port Commission approved the award of Contract No. 2584 "Various Locations, Miscellaneous Earthquake Repairs", to Frederick Meiswinkel, Inc., at a total contract cost of $107,547.94. Construction included repairing cracked and damaged stucco on the face of various bulkhead buildings including Piers 1, 1-1/2, 3, 5, 9, 15, 23, 29, 31, 33, 35; repair of the cracked concrete exterior walls at Pier 48 Sheds A and B; and interior plaster repair at Pier 35. All work is completely funded by FEMA/OES.

In the course of repairing the buildings, hidden damage has been discovered. The damage is predominately unstable plaster and hidden cracks caused by the earthquake that were not identifiable until the contractor began work. The damage must be repaired. FEMA and OES have agreed to fund the additional repairs and it is most cost effective to make the repairs while the contractor is under contract to the Port.

THIS PRINT COVERS CALENDAR ITEM NO. 9 B

The Port Commission previously approved modifications to this construction contract, the most recent of which was on March 4, 1994, authorizing a contract modification for $3,816.90 for work at Pier 3.

Additional damage has been discovered and staff seeks authorization to issue Contract Modification No. 4 for $31,301.54. This work includes repairing cracked and loose plaster caused by the earthquake at Piers 1, 3 and 35. The Port has received Verification of Additional Damage (VAD) reports for all of this proposed work, verifying that FEMA/OES will pay the full cost thereof.

Contract costs are as follows:

Original Contract Amount:	$107,547.94
Previous Modifications:	52,813.74
Modification No. 4:	31,301.54
Total Contract Amount:	$191,663.22

The Commission is also advised that staff anticipates further modifications to this contract.

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-73

WHEREAS, work is proceeding on construction Contract No. 2584, "Various Locations, Miscellaneous Earthquake Repairs"; and

WHEREAS, in the course of repairing buildings, hidden damage was discovered; and

WHEREAS, the damage must be repaired; FEMA and OES have agreed to fund the repairs and it is most cost effective to make the repairs while the contractor is under contract to the Port to make the repairs; and

WHEREAS, the work includes repairing cracked and loose plaster caused by the earthquake at Piers 1, 3 and 35; and

WHEREAS, the contractor must be given authorization to proceed with the additional work as soon as possible to avoid demobilization and remobilization costs; therefore be it

RESOLVED, that the Commission authorizes staff to issue Contract Modification No. 4 to Contract No. 2584 with Frederick Meiswinkel, Inc., for a total of $31,301.54.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 24, 1994.

_____
Secretary

agd-2584.vy

PORT OF SAN FRANCISCO

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MEMORANDUM

May 18, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Approval of Lease with ISIS Imports, Ltd. at Pier 33

DIRECTOR'S RECOMMENDATION: APPROVE EXECUTION OF 5 YEAR LEASE WITH ISIS IMPORTS, LTD.

Staff has negotiated a five year lease with ISIS Imports, Ltd. for 7,996 square feet of shed space at Pier 33. The lease converts a long term Port licensee to a Port lessee under the Port's standard lease and at increased rents.

Commission approval is required to provide for a three year phase in of rent from the current $.17 per square foot to $.35 per square foot (which is the minimum allowed by the pre approved leased parameters). The proposed lease will produce a net effective rent of approximately $.29 per square foot over the five year lease term; with the rent during the last two years of the term at or over the Port's minimum parameters. There are no rent credits or other tenant allowances.

The proposed rent represents an increase over the existing rent of $3,376.80 in the first year, $7,574.40 in the second year, $12,340.80 in the third year, and $17,107.20 in the fourth year. The rent during the fifth year of the term would be increased to reflect changes in the CPI. ISIS Imports, Ltd. is an importer of specialty automobiles, and, therefore, also generates additional income to the Port in the form of wharfage fees from the vehicles arriving by ship at Port facilities.

THIS PRINT COVERS CALENDAR ITEM NO. 9C

Prepared by: Kirk Bennett, Acting Director, Tenant Services

I:\tenant\agendas\isis.mem\May 18, 1994\ND\jef

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-81

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for a Lease with ISIS Imports, Ltd., as Tenant; therefore be it

RESOLVED, that the Port Commission hereby approves the business terms of that certain lease which are set forth in the attached Agenda Summary Sheet and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 24, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

May 16, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Refunds and Allowances Report - April 1994

DIRECTOR'S RECOMMENDATION: APPROVE REFUNDS AND ALLOWANCES REPORT

Attached, for your approval, is the Refunds and Allowances report for the period ending April 30, 1994.

Prepared by: John F. Conrad

THIS PRINT COVERS CALENDAR ITEM NO. 9D

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-79

RESOLVED, that the San Francisco Port Commission hereby approves the April 1994 Refunds and Allowances report.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of May 24, 1994.

_____
Secretary

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
April 30, 1994

	REVENUE TYPE	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS	TOTAL
	Cargo Service Division				
1.	Cargo Facility Rent		$ 2,133		$ 2,133
2.	Container Crane Rental				0
3.	Demurrage		455		455
4.	Dockage				0
5.	Facility Damage		8,887		8,887
6.	Miscellaneous Revenue				0
7.	Misc. Services to Tenants				0
8.	Security Deposits				0
9.	Service Charges				0
10.	Wharfage - Cargo		8,360		8,360
11.	Wharfage - Non-Cargo				0
	Subtotal	$ 0	$ 19,835	$ 0	$ 19,835
	Tenant Service Division				
1.	Commercial Rent	$ 19,350	6,895	$ 8	26,253
2.	Dockage				0
3.	Electrical Power Service	5		12	17
4.	Facility Damage				0
5.	Fishing Boats		66	6	72
6.	Fish Facility Rent				0
7.	Maritime Related Rent				0
8.	Misc. Services to Tenants				0
9.	Miscellaneous Revenue				0
10.	Parking Stalls		4,520	225	4,745
11.	Penalty Charges		982	47	1,029
12.	Percentage Rentals				0
13.	Permits				0
14.	Service Charges		953	170	1,123
15.	Security Deposits		49,902		49,902
16.	Ship Repair				0
17.	Wharfage - Non-Cargo				0
	Subtotal	$ 19,355	$ 63,318	$ 468	$ 83,141
	Total	$ 19,355	$ 83,153	$ 468	$ 102,976

ATTACHMENT 1

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
APRIL 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
CARGO SERVICE DIVISION						
CARGO FACILITY						
1. Bay and Delta Towing, Inc.	475607	To issue credit for invoice #472892 as tenant was billed under old rate for April rental. New rate was in effect as of 4/1/94 under invoice #474227 for $4,047.90.		$ 2,133		$ 2,133
Subtotal CFTY			0	2,133	0	2,133
DEMURRAGE						
1. One (1) invoice under $500	475837			455		455
Subtotal DEMR			0	455	0	455
FACILITY DAMAGE						
1. U. S. Naval Station Treasure	474557	To credit invoice #470393 as tenant requested to be billed based on actual cost. Rebilled by invoice #474546 using the actual cost of repairs.		8,587		8,587
2. One (1) invoice under $500	474567			300		300
Subtotal FDMC			0	8,887	0	8,887
WHARFAGE-CARGO						
1. Maruba S.C.A.	474684	To issue partial credit for invoice #459826 as tenant overstated the number of 40' foot containers. The revised number of containers agreed with report we received from Metropolitan California Stevedore Co. Pier 80 operator.		1,800		1,800
2. Evergreen Lines	475615	To credit invoice #474505 as tenant was billed by mistake. (Re-billed by invoice #474648 to China Ocean Shipping Co.)		6,258		6,258
3. Two (2) invoices under $500	Various			302		302
Subtotal WHFC			0	8,360	0	8,360
Total for Cargo Service Division			$ 0	$ 19,835	$ 0	$ 19,835

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
APRIL 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
TENANT SERVICE DIVISION						
COMMERCIAL RENT						
1. Birnberg and Associates	474441	To issue credit for tenant improvement allowance per lease agreement $4,101.36 for carpet at $772.50/mo.	$ 773			773
2 Earl Office	474448	To credit invoices #469634 & #471555 as tenant was billed in error because of temporary permit connected to lease.		720		720
3. Ken Downing	474456	To credit various invoices due to erroneous billing in concession of temporary permit to lease.		1,063		1,063
4. Jack Lake & Associates	474686	To credit invoice #473196 as tenant was billed twice for April rent. The subject invoice was based on an old lease rate.		1,383		1,383
5. Williams, Phillip & Associates	475879	To issue credit for improvement allowance for ventilation system at Pier 35 per Property Manager.	800			800
6. Allright S. F. Inc.	475880	To credit April rent for completed and authorized paving improvemmt to SWL 322i per lease agreement with Port.	16,149			16,149
7. P. J. Rhodes & Company	475896	To issue partial credit for invoice #473274 because tenant's lease was terminated effective 4/15/94.		2,866		2,866
8. Eleven (11) invoices under $500	Various		1,628	863	$ 8	2,499
Subtotal CRNT			19,350	6,895	8	26,253
ELECTRICAL POWER						
1. Nine (9) invoices under $500	Various		5		12	17
Subtotal ELEC			5	0	12	17
FISHING BOATS						
1. Five (5) invoices under $500	Various			66	6	72
Subtotal FISH			0	66	6	72
PARKING						
1. Thirty three (33) invoices under $500	Various			4,520	225	4,745
Subtotal PSTL			0	4,520	225	4,745

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
APRIL 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
PENALTY CHARGE						
1. Twenty two (22) invoices under $500	Various			982	47	1,029
Subtotal PCHG			0	982	47	1,029
SERVICE CHARGE						
1. Thirteen (13) invoices under $500	Various			953	170	1,123
Subtotal SERV			0	953	170	1,123
SECURITY DEPOSITS						
1. Allright S. F. Inc.	474683	To credit invoice #468799 because tenant submitted a contract bond for payment of security deposit.		38,570		38,570
2. Tidewater Sand & Gravel	474690	To credit invoice #473861 as tenant submitted a certificate of deposit for payment.		11,332		11,332
Subtotal PREP			0	49,902	0	49,902
Total for Tenant Service Division			$ 19,355	$ 63,318	$ 468	$ 83,141
TOTAL CREDIT MEMOS - APRIL 1994			$ 19,355	$ 83,153	$ 468	$ 102,976

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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MINUTES OF THE MEETING
MAY 24, 1994

1. **ROLL CALL**

Meeting was called to order by President Preston Cook at 4:05 p.m. The following Commissioners were present: Preston Cook, Francis O'Neill and Frankie Lee. Commissioners Anne Halsted and James Herman were absent.

President Cook introduced and welcomed Commissioner Frankie Lee, the Port's newest Commissioner. He is a businessman, engineer and is well-respected not only in his profession but also in San Francisco.

2. **APPROVAL OF MINUTES** - April 26, 1994 Minutes

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; minutes of the April 26 Commission meeting, were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Executive Director Dennis Bouey reported that as the Commission is aware Metropolitan Stevedoring Company announced that they are quitting all cargo related work in Northern California. As a result, the Port is closing Pier 80 and attempting to relocate the remaining lines from Pier 80 to Piers 94-96. So far, staff had heard from all but one of the involved lines. One line, ELMA, has decided to halt business operations independent of the decision to close Pier 80. Its cargo will be picked up by Maruba Shipping Lines, which is moving to Pier 94-96. Unfortunately, the remaining lines -- Blue Star, NSCP, Nedlloyd, and South Seas -- have decided to relocate elsewhere. The good news is it now gives the Port an unfettered cargo facility to market. The Port has made an innovative proposal to a shipping line that calls for a dedicated terminal and cost sharing arrangement. Unfortunately, for the moment the real draconian aspect of the departure of the shipping lines is they represent almost $2.3 million in revenue which was included in next year's budget. Consequently, an amended budget reflecting revised revenues and expenditures will be presented at the next meeting. It is anticipated that there will be further layoffs.

Commissioner O'Neill inquired about the status of Mr. David Feltham's concerns that were brought to the Commission at the last meeting. He wondered if the issues he raised were addressed. Mr. Bouey stated that staff was quite surprised about Mr. Feltham's comments and asked Sharon Polledri, Director of Planning, to follow up on this matter. Ms. Polledri researched the coordination that has occurred between Planning and Port staff. Mr. Feltham's efforts at the Commission's last meeting were, at best, misguided and he apologized for any inconvenience or confusion he may have caused; he also persuaded his Director to write an enthusiastic letter of support to our project.

Commissioner O'Neill mentioned the whaleboat race which was sponsored by Port staff. He enjoyed the day and congratulated and thanked everyone who participated.

Commissioner Cook agreed with the Executive Director's report. Staff presented a new leasing summary that he was pleased to see, which was not only well thought out and easy to read but also reflects interesting information. Last year, staff completed 72 leases; in the four months ending April, staff has completed 58 leases. He commended staff for its good work.

4. **CARGO SERVICES**

5. **TENANT SERVICES**

A. Authorization to Re-Issue Request for Proposals regarding Curbspace Use Permit for Horsedrawn Carriages (Resolution No. 94-82)

Mr. Bouey stated that in February the Commission authorized three RFPs for non exclusive space for the FW area; one each for horsedrawn carriages, motorized cable cars and mini tour buses. With regard to the horsedrawn carriages, we received 2 responses and both were non-responsive: one proposer offered less than the minimum amount required by the RFP and the other proposer did not satisfy the minimum experience requirement. Staff seeks permission to reject both responses and authorize staff to re-issue the RFP with less stringent experience requirements.

ACTION: Commissioner Lee moved approval: Commissioner O'Neill seconded the motion. All Commissioners in favor; resolution was adopted.

Mr. John Jenkel, Port tenant since 1981 and owns a horsedrawn carriage operation referred to the Port's leasing policy for retail sites, Res. 93-52 passed last April, which specifies requirements for direct negotiation. He has paid the Port $166,000 (10% of his gross receipts), and employed over 30 individuals over 13 years. He is a good citizen and believes he is a tenant with good standing. With regard to the second requirement, he has made significant investment. He has submitted copies of his 1040 tax returns since 1981.. The 3rd element requires the best economic interest to the Port. He has a clean record. He wondered why he cannot negotiate directly with the Port since he believes he meets all the requirements.

Commissioner Cook stated that a fair process is the RFP. Mr. Jenkel stated that it is an awkward process and according to the Port's leasing policy, he qualifies for a direct negotiation. He inquired whether that policy no longer apply. Commissioner Cook asked for staff's verification of the policy. City Attorney Rob Maerz responded on Mr. Jenkel's inquiry. He stated: 1) Legally, the discretion to enter into negotiations exist; in this instance, there is an indication of competition exists since there were two proposals submitted, albeit non-responsive. In light of that it's not appropriate to enter into direct negotiation. With respect to Mr. Jenkel qualifying as a tenant in good standing, he was informed by Mr. Bennett, Acting Director of Tenant Services, that the provision applies to leases. In this instance because the Port is dealing with curbspace in the street, a lease is not the vehicle to which the Port would enable them to occupy the premises. Commissioner Cook stated there will be another opportunity for an RFP. Commissioner

O'Neill stated that since Mr. Jenkel has been a Port tenant for 13 years and has paid his dues and hopes that in the new RFP this can be recognized and taken into consideration as the Port wants horsedrawn carriages. Commissioner Cook reiterated that things have changed at the Port and feels strongly with the RFP process and wants to treat tenants fairly and not in the position to do single negotiations.

Mr. Gilles Cohen, Waterfront Carriages, pointed out the experience criteria required in the RFP - a minimum of two years of experience for the past four years. He, too, has paid his dues and feels that he complied with most of the criteria. Technically, he was not active for two years in the last four. He claimed he's qualified but in different years. If the RFP were worded as having two years minimum experience in the last five, he would qualify. He asked the Commission to reconsider their decision. Mr. Bouey concurred that Mr. Cohen is, in fact, 98% qualified; unfortunately, staff is bound by the rules of the RFP. For that reason, staff seeks permission to RFP with less stringent experience requirements. Commissioner Cook believes that with the new RFP, Mr. Cohen's concern will be resolved. Mr. Cohen was concerned about the time that it takes for an RFP as he is now ready to operate. Commissioner Cook inquired about speeding up the RFP process. Mr. Bouey stated that staff will attempt to return to the Commission the second week of July for approval. The question was whether it was in the Port's interest to change operators in the middle of the tourist season? Mr. Bouey indicated that if the Commission would like the RFP to go forward now, staff will attempt to make the second week in July for approval. Commissioner Cook would like to move forward. Commissioner O'Neill wondered whether the public would be served by horsedrawn carriages in the meantime. Mr. Cohen indicated he is willing. Mr. Jenkel then expressed no desire to continue his service. Mr. Bouey stated that staff is prepared to meet with Mr. Jenkel to terminate his permit and bring on a new provider.

Approval of Curbspace Use Permit for Motorized Cable Cars (Resolution No. 94-83)

Mr. Bouey stated that staff received proposals from Cable Car Charters and Grosvenor Line, doing business as Grey Line. A three-person committee scrutinized the responses to the RFP and tallied their scores. Staff seeks the Commission's concurrence to award the non-exclusive permit, as outlined in the attached resolution, to Grosvenor Bus Line.

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolution was adopted.

Ms. Julie Wall, with Teamsters local 856, representing 70 employees of Cable Car Charters, spoke on behalf of the company and its employees. Her feeling is the Port is giving a billionaire businessman a monopoly at the Port. She stated that Grey Line currently has exclusive rights to Pier 39, which is a private enterprise, and not subject to public bid. Additionally, Port put Pier 41 and 43 together as part of this bid. As a consequence, 70 people will be put out of work. She claimed that the owner of Cable Car Charters was taken advantage of and was not represented at the meeting when it was decided to put the two spaces together. She objected to awarding the contract to Grey Line since it will put seventy people's livelihood at stake. She requested Commission to, at the very least, postpone a decision in hopes that they can look at the bid and take into account the impact of this decision to the lives of these people.

Mr. Rory Armstrong, an employee of Cable Car Charters for two years, remarked that what impressed him about Cable Car Charters is that they provide good service and always have cars with people with smiles on their faces and in stark contrast with Grey Line. He asked the Commission to postpone the decision to award to Grey Line or if nothing else, to split the two sites amongst the two companies.

Attorney Jim Reuben, representing Cable Car Charters, reiterated that Mr. Gridley, the owner of the company has not been represented prior to now. He submitted this morning a letter to the Commission which addresses his concerns. His specific concern has to do with the tenant radius clause. What apparently happened was the RFP was issued with a definition of gross sales that was not well-received and that definition was changed at the last minute. The addendum that had the precise language came out later and was not read by either bidders. Sometime very close to the date of bid submittal, the gross sales came to be defined as any sale within the 1/2 mile radius. The 1/2 mile radius was not in the original language. They have not seen a radius map but were told that staff will provide them a copy. The new definition specifies that rent is to be paid on any revenue generated within that 1/2 mile radius. In his opinion, that also is a problem. The concern he has is the next provision, which was also added, which states that while revenue received within a 1/2 mile is subject to rent; if on that revenue, a Port tenant was paid rent, then that revenue is credited. The problem is only Mr. Werbe gets that credit because he pays rent to a Port tenant. Mr. Gridley who will also be operating within the 1/2 mile radius will not get the credit. The two bidders were not placed in a similar situation; one of them had an unequal and advantageous position, which causes the problem and disability of this RFP.

Commissioner O'Neill commented that he did not understand the situation. Mr. Reuben reiterated his concerns and offered financial examples. Mr. Bouey believed that the presentation was quite accurate as to how the credit works but some context had been left out that might give the Commission a different perspective and asked Mr. Bennett to clarify.

Mr. Kirk Bennett answered Mr. Reuben's question: The original permit included with the RFP did provide for a 1/2 mile radius provision, which is a typical provision wherein another operation opens up within a 1/2 mile of a tenant, the sales that occur at the other location within that radius clause will be utilized for computing gross sales; and indeed is a standard provision for retail operations. At the April 13 pre-proposal meeting, there was representation by Grey Line and Cable Car Charters. The question raised initially by Grey Line was this provision created an undue hardship on them as they already have a commitment to a Port tenant and from whom the Port received revenue. If they were to propose on our particular location, in fact, they would pay 20% while the other company only pay 10%. They suggested a clarification of the gross sales definition or suggested keeping the gross sales as is with the radius but allow for a credit of the amount paid to a Port tenant. The question was asked of Cable Car Charters, who was represented by a couple of individuals including Mr. Bob Gridley, what his feelings were with the proposed change. He expressed that he saw that change as beneficial to Cable Car Charters as well as he was working on an arrangement whereby they would sell package tours in conjunction with Red and White Fleet. He indicated that the language needed to be corrected as well and concurred that this amendment be made. They talked about the specific language and made other changes. At the end of the meeting, all the proposed

changes were presented to the members present and there were concurrence from both Cable Car Charters and Grey Line. As far as timing, there was a need to extend the date of bid and the revised language was sent out.

Bill Trulock, a tour driver at Cable Car Charters, stated that there's more than being a driver, you have to be knowledgeable about the City and provide the tourists an invaluable hosts of information. Cable Car Charters has a superb record; as well, the drivers have a commendable safety record. His job with Cable Car Charters is his sole source of income. He hopes that the Commission would take into consideration the decades of experience of all Cable Car Charter's employees and its the only job he knows of that he gets paid to be nice to people.

Doug Horning, tour guide with Cable Car Charters and also a casual employee of Grey Line, offered a comparison between the two carriers. He inquired whether the Commission was aware of the hardship this decision will confer on Cable Car Charters employees; if not, he asked the Commission to consider meeting with Cable Car Charter employees in a different forum. He then asked the Commission to respond to his question. Commissioner Cook remarked that through the process that the Commission or the staff must take, decisions like this are made at every Commission meeting, someone wins, someone loses. That is part of the process and it's a difficult decision for all of us. The Port received two good proposers and both are qualified to perform the tasks; however, one happened to be a little better than the other.

Mr. John Jenkel, Port tenant and a concerned citizen, stated that he did not have any knowledge about the RFP pre-proposal meeting. He stated that it is sad and unreasonable that Port staff would consider removing an established entertainment provider. Commissioner Cook responded that Mr. Jenkel has been very clear in his written letters to the Commission that the Port is mismanaged and it's falling apart. In this instance, the Port has an opportunity to receive more revenue and now he's asking the Port to award a contract to a lower bidder.

Commissioner O'Neill mentioned that several months ago, the Port made available to Cable Car Charters a 5-year lease. At that hearing, staff heard many complaints about employees's working conditions and the issue died. The Port never received any feedback. Then to have someone come and accuse the Port of taking advantage of someone is unconscionable. At the pre-proposal meeting, Proposal A (Pier 41) and Proposal B (Pier 43) were separate. At the meeting, both proposers agreed to combine both.

Reject all Proposals and authorization to Negotiate Curbspace Use Permit for Mini Tour Buses at Fisherman's Wharf. (Resolution No. 94-84)

Mr. Bouey stated that for the mini tour bus permit, staff received only one proposal which was non-responsive. He believes that it's in the Port's best interest for the Commission to terminate the RFP process for the mini tour buses and allow staff to negotiate for a permit.

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolution was adopted.

B. Approval of Memorandum of Understanding with the Department of Parking and Traffic for Use of Space at Pier 70 (Resolution No. 94-62)

Mr. Bouey indicated that the Port currently leases a parcel of property at Pier 70 to the Dept. of Parking and Traffic and a somewhat smaller parcel to City Tow. City Tow is the City's contractor for towing vehicles off City streets and both parcels are used for the disposal of these vehicles. The Dept. of Parking and Traffic has a need to increase the amount of space they have. Port staff has negotiated for a third parcel for a slightly higher rate than the two previous parcels, bringing to the Port $25,000 a month of new rent or approximately $300,000 a year. The MOU consolidates all three parcels into one agreement with Dept. of Parking and Traffic and provides a five year term. This was done in the event that the Dept. of Parking and Traffic should switch tow companies, the Port won't be stuck with a tenant that no longer has a contract with the City. Staff asks for Commission's approval.

ACTION: Commissioner Lee moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; resolution was adopted.

6. **ENGINEERING**

A. Professional Services Contract No. SA 3902021, "Pier 70, Building 111, Earthquake Repair," T.Y. Lin, International, approval to execute Phase II final design work for $344,280. (Resolution No. 94-74)

Mr. Bouey stated that the Administration Bldg. located at Pier 70 was damaged during the 1989 earthquake. Subsequently, T.Y.Lin was hired to evaluate the damage and to provide design services. T.Y. Lin some time ago completed Phase 1 and provided an estimate of the damaged building in the neighborhood of $3.1 million, which was substantially and significantly higher than FEMA's estimation. At about the same time, the Port and the City fell into a dispute with FEMA over interpretations of what building codes should apply, e.g. should FEMA pay for ADA requirements that occurred subsequent to the 1989 earthquake. As a compromise, FEMA has agreed to fund a refined cost estimate. Depending on the outcome of that refined estimate, the Port may elect to repair the existing building or if the damage is severe enough, would ask FEMA to build a new building. At this point, FEMA is prepared to spend $1.6 million to repair the damage and depending upon what the refined cost estimate ultimately reveals, FEMA may be inclined to fund the entire cost. At this point, it is a way to move the project forward and staff asks for Commission's concurrence of the accompanying resolution.

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolution was adopted.

7. **PLANNING DEVELOPMENT & COMMUNITY AFFAIRS**

A. Authorization of Executive Director to enter into agreement with the Department of Public Works and the J.C. Decaux, Inc. for the installation & maintenance of self-cleaning toilets & advertising kiosks in Port jurisdiction.

Mr. Bouey stated that the Commissioners are aware that there has been great amount of dialogue between Port staff, representatives of the Mayor's office and Vit Troyan who has represented DPW and the City with J.C. Decaux, Inc. J.C.Decaux is willing to install 27 toilets in the initial phase of the contract in return for 121 public information kiosks. Over the life of the agreement, J.C. Decaux anticipates the eventual installation of as many as 50 toilets and over 200 kiosks. At this point in time, Port staff has agreed to the installation of 4 toilets and 8 kiosks. The ratio of kiosks to toilets is much lower at the Port than for the City. Some concerns remain. The first is the proposed toilet and kiosk location which are identified on page 2 of the Commission package. The installation of public toilet at Pier 7 represents a savings to the Port of $66,000 which is currently set aside in the capital budget for the installation of a public toilet. Also, the proposed contract between Port, City and J.C. Decaux establishes an installation allowance of $20,000 per toilet and $10,000 for a kiosk. Considering the type of land the Port is situated in, staff is concerned that in some instances the cost may be higher than $20,000 for the installation of toilets. J.C.Decaux & the Dept. of Public Works has agreed to fund up to $40,000 per toilet in at least two of our locations. With regard to further locations at the Port, the Port at this time is under no obligation to receive or agree to locate additional kiosk or toilets. With regard to kiosk locations, it has been discussed with the affected businesses and while not ecstatic, have indicated that they can live with the agreement as proposed by staff. Mr. Bouey asked for Commission's concurrence with the accompanying resolution.

Commissioner Cook announced that at least on one occasion, the Commission has been briefed on this matter.

Ms. Eleanor Jacobs, Homeless Coordinator and representing Mayor Jordan, urged the Commission to pass the resolution. She stated that the Mayor has been committed to this issue and sees it as a benefit to the City. She reiterated Mayor's desire to pass the resolution.

Mr. Lew Lillian, Gannett Transit Shelter Vice President & General Manager. Since J.C. Decaux's proposed contract with the City would preclude the Port from authorizing further free standing advertising other than provided by J.C. Decaux, he respectfully asked Commission to be careful on where Port would allow a kiosk to be placed because it would hinder and restrict them from placing bus shelters on the Embarcadero. Should a contract be signed and should Commission approve the location of the kiosks and because of the distance restriction, this would put a monkey wrench in PUC, MUNI and Gannett Transit plans. Mr. Lillian urged the Commission to please take a hard look before granting approval.

Mr. Richard Winnie, Gannett Outdoor, stated that this matter has been proceeding fast, and, in some cases, in direct violation of the Sunshine Ordinance. In fact, it has been proceeding through negotiations out of public view and without public discussion. The negotiations have proceeded without public review. He believes that City's interests are not protected; that the toilets are an unknown item. He was concerned about the toilet's reliability and the lack of maintenance and down-time standard. He hopes that Port is proceeding with caution and hopes that the Port has better remedies. He strongly urged the Commission to not act until the Board of Supervisors has acted on this contract and until the Planning code is consistent with the agreement. As well, it's important to the

area's transit service that the Commission not act in order not to disturb the negotiations that MUNI has underway for the transit program along the Embarcadero.

Mr. Vitaly Troyan from the Department of Public Works offered the following: They advertised for the RFP and received proposals from three vendors. The selected vendor was chosen by a selection panel based on an established criteria. He indicated that they negotiated a contract with the vendor and received permission from the Arts Commission. City Planning and Rec & Park. He asked permission for the Port Commission and the Executive Director to enter into an agreement with the Dept. of Public Works and J.C.Decaux.

Mr. Morton Beebe, San Francisco author and photographer, stated that it would be a shame to see the activities of the past year and a half go to waste if J.C. Decaux is delayed in the services they are offering to San Francisco. He hopes that on Port's and City's behalf, this moves forward.

Mr. Peter Strauss, MUNI Director of Services Planning, clarified their current understanding. He stated that the transit shelter program in place, as part of the waterfront transportation project, will provide shelters at locations along the "F" line and these shelters would have to have advertising as noted in the contract. It's their understanding that the location of the transit shelters is not restricted by the location of the J.C.Decaux kiosks along the waterfront. The memo distributed to the Commission regarding relocation costs was in variance with their understanding of the payment arrangement. They share the understanding that PUC does not bear the relocation costs and that Mr. John Cribbs has agreed that the Department of Public Works will bear the relocation costs.

Commissioner O'Neill inquired about the status of the "F" line. Mr. Strauss indicated that they are expediting the contract and one of the pieces is being rushed to the Commission for their next meeting. The problem is the gap between Broadway and the foot of Market street. They are committed to plug the gap as soon as possible but they do not have a definite date yet.

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; authorization to enter into agreement was approved.

B. Hyde Street Harbor and Pier 45 Sheds A and C. Request authorization to advertise a Request for Proposals (RFP) for preparation of an environmental impact report (EIR). (Resolution No. 94-52)

Mr. Bouey stated that this is a straightforward item, it asks for authorization to issue RFP for Sheds A & C located at Pier 45. Port staff is currently conducting the feasibility study.

ACTION: Commissioner Lee moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; authorization to enter into agreement was approved.

8. **INTERNAL SERVICES**

9. **CONSENT CALENDAR**

A. Contract 2552, "Pier 94 Container Cranes Modifications," approval to accept the work for a final contract amount of $1,758,466 and make final payment to Rigging International. (Resolution No. 94-76)

B. Contract 2584, "Various Locations, Miscellaneous Earthquake Repairs," Frederick Meiswinkel, Inc., approval to execute Modification No. 4 for $31,301.54. (Resolution No. 94-73)

C. Approval of Lease with ISIS Imports at Pier 33. (Resolution No. 94-81)

D. Approval of Refunds and Allowances for the Period Ending April 31, 1994.

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolutions for items on the consent calendar were adopted.

10. **NEW BUSINESS**

Mr. Bob Tibbits, Telegraph Hill Dwellers, welcomed Commissioner Lee to the Port. He spoke concerning Pier 39. Pier 39 has applied and received temporary permission from the San Francisco Planning Commission to operate a seaplane sight seeing business. One of the conditions of the 6-month trial period is to conduct a noise test to determine whether it is annoying. A number of neighbors opposed the issuance of the permit because of the noise the seaplane will generate. He hopes that the Port can find some way to negotiate with Pier 39 under the terms of their lease which requires 6-month notice for any change in use. He noted that a rental adjustment be made in light of the fact that it is a commercial business operation as oppose to a weekend sailing. There is some question whether BCDC has any jurisdiction here. The Waterfront Advisory Board has voted that aerial sight seeing on Port property is an unacceptable non-water oriented use. He hopes to prevent this from going forward or at least cut a better deal.

Commissioner Cook asked staff to prepare for the Commission an analysis of the Port's rights and responsibilities and jurisdiction at Pier 39. The issues of concern are: seaplane, proposed helicopter and a ferris wheel. He would like to get an answer before the next Commission meeting.

11. **EXECUTIVE SESSION**

A. At 5:40 p.m., Legal Counsel Rob Maerz announced that the Commission will withdraw to executive session to discuss the status of the following case:

CONFERENCE WITH REAL PROPERTY NEGOTIATOR:
Property: Port property located at Pier 70 Foot of 20th Street
Person Negotiating: Port representative: Dennis P. Bouey, Executive Director; Southwest Marine, Inc. (dba San Francisco Drydock) representative Mr. Carl Hanson.

An executive session has been calendared to discuss real property negotiations between the Port and Southwest Marine, Inc., a California corporation at Pier 70. This is specifically authorized under California Government Code Section 54956.8.

B. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

Commissioners Cook, O'Neill and Lee returned from Executive Session and convened in public session at 6:10 p.m.

ACTION: Commissioner O'Neill moved approval to not disclose Executive Session discussions; Commissioner Lee seconded motion. All Commissioners in favor; motion adopted.

Meeting was adjourned.

SAN FRANCISCO
PORT COMMISSION

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REGULAR MEETING
4:00 p.m., JUNE 14, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - May 24, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report
   B. Revisions to the Port's 1994/95 Operating Budget (Resolution No. 94-75)

4. **CARGO SERVICES**

5. **TENANT SERVICES**

   A. Approval of Amendment to Lease and of New Month-to-Month Lease with Southwest Marine, Inc. at Pier 70 (Resolution No. 94-90)

   B. Approval of Transactions related to the Transfer to the San Francisco Public Utilities Commission (PUC) and the San Francisco Redevelopment Agency (SFRA) of Portions of SWL 334 (Berry Street near The Embarcadero)

      1) Assignment of Lease Between the Port and ILWU Local 34 to SFRA pursuant to the Option Agreement between SFRA and the Port (Resolution No. 94-91)
      2) Consent to Amendment of the ILWU lease by ILWU & SFRA (Resolution No. 94-92)
      3) Memorandum of Understanding between the Port and PUC for the Construction and Maintenance of a Transit Substation (Resolution No. 94-93)

6. **ENGINEERING**

   A. Contract 2592R, Drydock and Overhaul of the Fireboat Phoenix," Bay Ship and Yacht Company, approval to execute Modification No. 1 for additional work at the request of and funded by the Fire Department for $64,574. (Resolution No. 94-78)

7. **PLANNING & DEVELOPMENT**

8. **INTERNAL SERVICES**

9. **CONSENT CALENDAR**

   A. Authorize the Executive Director to Apply for, Accept and Expend Grant Funds from the Federal Highway Administration under Section 1064 (FY 1995) of the Intermodal Transportation Efficiency Act (ISTEA) for final design of the Ferry Building and the of establishment of a Ferry and Excursion Dock at Candlestick Park.
   (Resolution No. 94-86)

B. Authorize the Executive Director to Apply for, Accept and Expend Grant Funds from the Metropolitan Transportation Commission (MTC) under Regional Measure 1, 3% Reserve Funds from Bridge Toll Revenues for Ferry and Excursion Passenger Enhancements in the Fisherman's Wharf Area and at the Ferry Building and the establishment of a Ferry and Excursion Dock at Candlestick Park
(Resolution No. 94-87)

10. **NEW BUSINESS**

11. **EXECUTIVE SESSION**

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. This is specifically authorized under California Government Code Section 54956.8.

B. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero station located at Market and Spear Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American sign language interpreters
- A sound enhancement system
- Minutes of the meeting in alternative formats
- The use of a reader during the meeting
- Large print of copy of an agenda

To allow individuals with environmental illness or multiple chemical sensitivity to attend the meeting, individuals are requested to refrain from wearing perfume or other scented products. Please help the City to accommodate these individuals.

PORT OF SAN FRANCISCO

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MEMORANDUM

June 14, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Revisions to the Port's 1994/95 Budget

DIRECTOR'S RECOMMENDATION: APPROVE THE REVISED 1994/95 OPERATING BUDGET

ORIGINAL BUDGET

The 1994/95 Operating Budget was approved by the Port Commission at its meeting on March 22, 1994. The approved budget is summarized below:

	1994/95
Revenue	$36,011,370
Expense	
- Budget	35,144,190
- Estimated Salary Increase @ 3%	415,000
- Total	35,529,190
Surplus	$ 482,180

THIS PRINT COVERS CALENDAR ITEM NO. 3B

The approved budget includes a decrease in revenues of $1.1 million. This revenue decrease is the result of the loss of COSCO ($1.7 million) and increases in rentals and interest income ($ .6 million).

The expenditure budget was reduced by $1.4 million which included anticipated salary increases of $415,000. Significant reductions were made in most expenditure categories although City Overhead and Claims budgets increased significantly.

The projected Surplus was $482,180.

To balance the 1994/95 budget, it was necessary to reduce positions that would not seriously impact revenues, maintenance of facilities or other critical operations. After a review of the functions and activities of the organization, twenty-six (26) positions were eliminated. An additional eight (8) positions were added to the budget to generate revenues or address critical needs.

REVISED BUDGET

It became necessary to revise the 1994/95 budget after five shipping lines that called at the North Terminal, gave notice of their intention to leave the Port. This will result in a reduction to revenues of $2,262,000 next fiscal year.

Staff proposes addressing the shortfall by increasing leasing revenues by $468,376 and by reductions to expenditures of $1,615,032. The expenditure reductions include the elimination:

* 18 positions totaling $1,151,245

* $140,814 in Materials & Supplies

* $350,000 in anticipated salaries increases due to the Mayor's veto of Salary Standardization

* $44,776 in other reductions

* Increase to Fringe Benefits of $71,803 due to rate increases for Unemployment Insurance and Dental Plan Coverage

To balance the budget approved by the Commission in March, almost every expenditure category was reduced as much a possible before positions were eliminated. This left little in expenditures to reduce at this time.

With the revisions identified above, Surplus is now projected at $303,589.

The revised 1994/95 annual operating budget is summarized below:

	1993/94	1994/95	Inc/Decease
Revenue	$37,107,725	$34,217,746	$(2,889,979)
Expense			
- Budget	36,551,921	33,849,157	(2,702,764)
- Estimated Salary Increase		65,000	415,000
- Total	36,551,921	33,914,157	(2,637,764)
Surplus	$ 555,804	$ 303,589	$ (252,215)

	1993/94	1994/95	Inc/Decease
REVENUES			
Cargo Revenues			
Dockage	662,000	437,000	(225,000)
Wharfage	4,660,000	2,145,000	(2,515,000)
Demmurage	178,000	71,000	(107,000)
Crane Rental	1,958,000	778,000	(1,180,000)
Cargo Rent	1,301,000	1,548,000	247,000
Miscellaneous	5,000	40,000	35,000
Sub-Total	8,764,000	5,019,000	(3,745,000)
Rentals			
Rent	19,840,200	21,178,876	1,338,676
Power	960,000	965,000	5,000
Parking Meters	852,000	973,000	121,000
Parking Stalls	754,000	649,000	(105,000)
Ship Repair	1,900,000	1,514,900	(385,100)
Fishing	90,000	40,000	(50,000)
Dockage	499,200	424,000	(75,200)
Wharfage	330,000	398,000	68,000
Miscellaneous	377,000	170,000	(207,000)
Sub-Total	25,602,400	26,312,776	710,376

	1993/94	1994/95	Inc/Decease
Other Revenues			
Interest	1,854,325	2,050,372	196,047
Other	887,000	835,598	(51,402)
Sub-Total	2,741,325	2,885,970	144,645
Total Revenues	37,107,725	34,217,746	(2,889,979)
EXPENDITURES			
Salaries	12,757,088	10,848,883	(1,908,205)
Fringe Benefits	2,885,817	2,424,594	(461,223)
City Overhead	574,729	677,048	102,319
Prof. Services	1,179,856	935,134	(244,722)
Travel	81,056	78,796	(2,260)
Training	44,046	66,860	22,814
Promotion	360,380	253,430	(106,950)
Memberships	52,355	41,590	(10,765)
Contract Serv.	2,810,814	2,753,321	(57,493)
Claims	55,000	405,000	350,000
Mat'ls & Supplies	932,867	798,084	(134,783)
Fac. Maintenance	652,945	683,800	30,855
Equipment	247,750	107,658	(140,092)
Svcs of Depts	3,112,977	3,352,915	239,938
Insurance	1,300,000	1,000,000	(300,000)
Debt Service	9,504,241	9,422,044	(82,197)
Total	36,551,921	33,849,157	(2,702,764)

POSITION SUMMARY

The 1994/95 budget includes 8 new positions and 44 positions eliminated, for a total of 209. In addition, there are 6 reclassifications, and 4 positions not funded.

Budgeted Positions

Positions 1993/94	245
New Positions	8
Deleted Positions	(44)
Positions 1994/95	209

By Division

Tenant Services	23
Planning & Development	15
Marketing	6
Government & Community Affairs	1
Facilities & Operations	119
Administration	42

Executive	3	
Total	209	

	Salaries	Fringe Benefits	Total
New Positions			
AAAA Maritime Manager	85,000	14,250	99,450
9395 Asst. Rental Manager	57,107	9,718	66,825
1406 Senior Clerk	27,720	4,712	32,432
9373 Manager of Marketing	83,181	14,344	97,525
5174 Admin. Engineer	67,752	11,518	79,270
7262 Maintenance Planner	54,396	9,247	63,643
1819 MIS Specialist	41,303	6,744	48,047
1632 Senior Account Clerk	36,905	6,443	43,348
	453,364	77,176	530,540
Deleted Positions			
9355 Wharfinger	38,367	6,553	44,920
9359 Asst Supt Harbor Maint.	73,994	10,897	85,957
9393 Cargo Marketing Rep	61,439	9,618	71,057
7395 Iron Worker	49,329	8,093	57,422
4308 Sr. Collection Clerk	41,055	7,013	48,068
7345 Electrician	55,724	10,770	66,494
9358 Crane Mechanic Sup.	0	0	0
1842 Management Assistant	40,847	6,951	47,798
9361 Manager, Maintenance	73,994	11,963	84,891
7345 Electrician	55,724	9,063	64,787
7344 Carpenter	52,565	8,780	61,345
5208 Civil Engineer	69,426	12,085	81,511
1844 Sr. Management Asst.	42,439	7,387	49,826
9330 Pile Worker	55,436	9,487	64,923
9330 Pile Worker	55,436	10,085	65,521
9330 Pile Worker	55,436	9,487	64,923
1630 Account Clerk	29,075	5,076	34,151
1630 Account Clerk	29,075	5,076	34,151
1630 Account Clerk	31,999	5,587	37,586
1872 Programmer Analyst	45,832	7,483	53,315
1874 Sr. Programmer Analyst	45,832	7,483	53,315
1926 Material & Supplies Sup.	35,209	6,557	41,766
1844 Sr. Management Asst.	42,439	6,254	48,693
9390 Executive Assistant	61,727	9,268	70,995
9391 Public Relations Rep.	52,800	8,319	61,119
9391 Public Relations Rep.	47,894	7,546	55,440
	1,243,093	206,881	1,449,974

Reclassifications

7258 Maint. Machinist Sup. I
1866 Systems & Procedures Supervisor
1824 Principal Administrative Analyst
AAAA Assistant Director, Business & Finance
AAAA Administrative Secretary, Port

Prepared by: Ben Kutnick

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-75

WHEREAS, staff has developed a Business Plan for the 1994/95 fiscal year that was approved by the Port Commission at it's meeting of March 22, 1994 by Resolution No. 94-47; and

WHEREAS, five shipping lines notified the Port in May 1994 that they would be leaving the North Terminal effective June 1, 1994; and

WHEREAS, these shipping lines accounted for $2.263 million in projected revenues in the 1994/95 budget; and

WHEREAS, additional revenues of $468,676 were added the expenditure budget has been reduced by $1,615,032 resulting in a projected surplus of $303,589;

RESOLVED, that the Port Commission approves the budget as prepared by staff.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 14, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
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Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

June 7, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James E. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of Amendment to Lease and of new Month-to-Month Lease with Southwest Marine, Inc. at Pier 70.

DIRECTOR'S RECOMMENDATION: APPROVE AMENDMENT TO LEASE AND NEW MONTH-TO-MONTH LEASE WITH SOUTHWEST MARINE, INC.

Southwest Marine, Inc. (known locally as San Francisco Drydock and referred to herein as "SWM") presently leases from the Port approximately 49 acres of land, water and buildings at Pier 70, where it has conducted ship repair operations since 1987 pursuant to a lease (#L-11320) and a month-to-month license (#11315). Under the lease, which expires on December 17, 2017, SWM currently is obligated to pay rent of $122,940 per month, or $1,475,280 per year. Under the license, SWM is obligated to pay rent of $6,975 per month, or $83,700 per year. (The parcels included in the existing lease and license are shown on the attached Exhibit A).

On November 4, 1993, SWM announced publicly its intent to layoff its workforce and close its operations at Pier 70 by January 8, 1994 because of a significant reduction in its workload. SWM therefore requested that the Port and the City agree to a package of concessions (including reduction of rent and elimination of possessory interest and payroll taxes) that would reduce SWM's operating overhead. SWM contended that the shipyard was operating at a loss and that the existing lease with the Port, executed in 1987 under different market conditions, impeded its ability to compete for commercial work with other West Coast ports and foreign shipyards.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

For the past five years, SWM has strongly relied on commercial ship repair work to replace defense work lost due to defense cutbacks. Market projections for the next three years, even in the commercial ship repair sector, are not good. In 1992, the Port's two ship repair tenants, SWM and Service Engineering Co., produced $78.9 million in sales. By year-end 1994, sales are projected to decline by 37% to $50 million. The impact of base closures in June 1996 are expected to further shrink sales, but SWM anticipates an upturn in commercial revenues by 1997 due to the need for deferred maintenance work on commercial tankers.

Proposed Restructuring of Lease Arrangement

The Executive Director has negotiated a restructured lease arrangement that is acceptable to SWM. Its fundamental components consist of (a) amending the thirty-year lease to reduce the rent for a period of four years and provide for other modifications; (b) terminating the month-to-month license, thereby eliminating these rental obligations; and (c) creating a new month-to-month lease, with a rental of only $1.00 per month, for some of the areas formerly leased under the license plus an additional parking area. (The parcels covered by the amended lease and the new month-to-month lease are shown on the attached Exhibit B).

This restructuring will reduce SWM's premises from 2,140,942 square feet to approximately 1,406,783 square feet and will reduce its annual base rental payments to the Port from $1,558,980 to $1,000,012. The specific provisions of this restructuring are as follows:

1. Amendment to Lease

a. Reduces the rent, from January 1, 1994 through December 16, 1997, from $122,940 per month to $83,333.33 per month (against a percentage rental due quarterly calculated at 3% of gross receipts). This will reduce the annual base rental by $475,280.04.

b. Waives the Port's right to collect the cost of living increase in the base rent, which was to have gone into effect on December 17, 1992, amounting to $22,940 per month, or a total of $275,280 per year.

c. Gives SWM a dollar-for-dollar rent credit, up to $400,000 per calendar year through December 16, 1997, for any amounts Port actually receives under any lease to a third party of land previously leased by SWM under its license and not leased under the new month-to-month lease. (The parcels to be included in this rent credit are shown on the attached Exhibit C.)

d. Requires the parties, beginning on January 1, 1997, to re-negotiate the monthly base rent; and, failing to reach agreement, provides that SWM may terminate the lease upon 180 days' written notice on or after June 17, 1997. If the parties fail to reach agreement on a new base rent after good faith negotiations and if SWM does not terminate the lease, then on December 17, 1997 the base rent reverts to that originally required by the lease, equalling $100,000 per month plus the cost of living adjustment that would be effective December 17, 1997 under the terms of the original lease.

e. Requires SWM to obtain all permits for and to pay for any dredging.
f. Waives the requirement that SWM obtain marine equipment and protection and indemnity insurance on the drydocks from January 1, 1994 through December 31, 1996, but holds SWM responsible to repair any damage.
g. Prohibits SWM from interfering with access to the drydock facilities by other ship repair firms and requires SWM to allow such access at competitive rates in accordance with published tariffs.
h. Terminates month-to-month license No. 11315 for 978,043 square feet of land and buildings, reducing SWM's rental payment by $6,975.00 per month or $83,700 per year.

2. New Month-to-Month Lease

SWM will lease, on a month-to-month basis, a portion of the area presently permitted pursuant to License No. 11315, plus an additional area for parking, for a total leasable area of approximately 5.6 acres (indicated as "Month-to-Month" areas on Exhibit B). The rent under this new month-to-month Lease #L-11968 will be $1.00 per month.

Prepared by: Kirk Bennett, Acting Director, Tenant Services

N:\users\tenant\jennifer\wp51\swmarine.mem

PORT OF SAN FRANCISCO
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-90

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for an Amendment to Lease No. L-11320 and for a new Month-to-Month Lease, No. 11968, between the Port and Southwest Marine, Inc., a California corporation, the terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on June 14, 1994;

WHEREAS, Port Commission will seek the necessary approval of the Board of Supervisors so that Amendment to Lease No. L-11320 may be executed; therefore be it

RESOLVED, that the Port Commission hereby approves the business terms of that certain Amendment to Lease No. L-11320, the terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on June 14, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port; and be it further

RESOLVED, that the Port Commission hereby approves the business terms of that certain Month to Month Lease, Lease No. 11968, the terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on June 14, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port;

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 14, 1994.

_____
Secretary

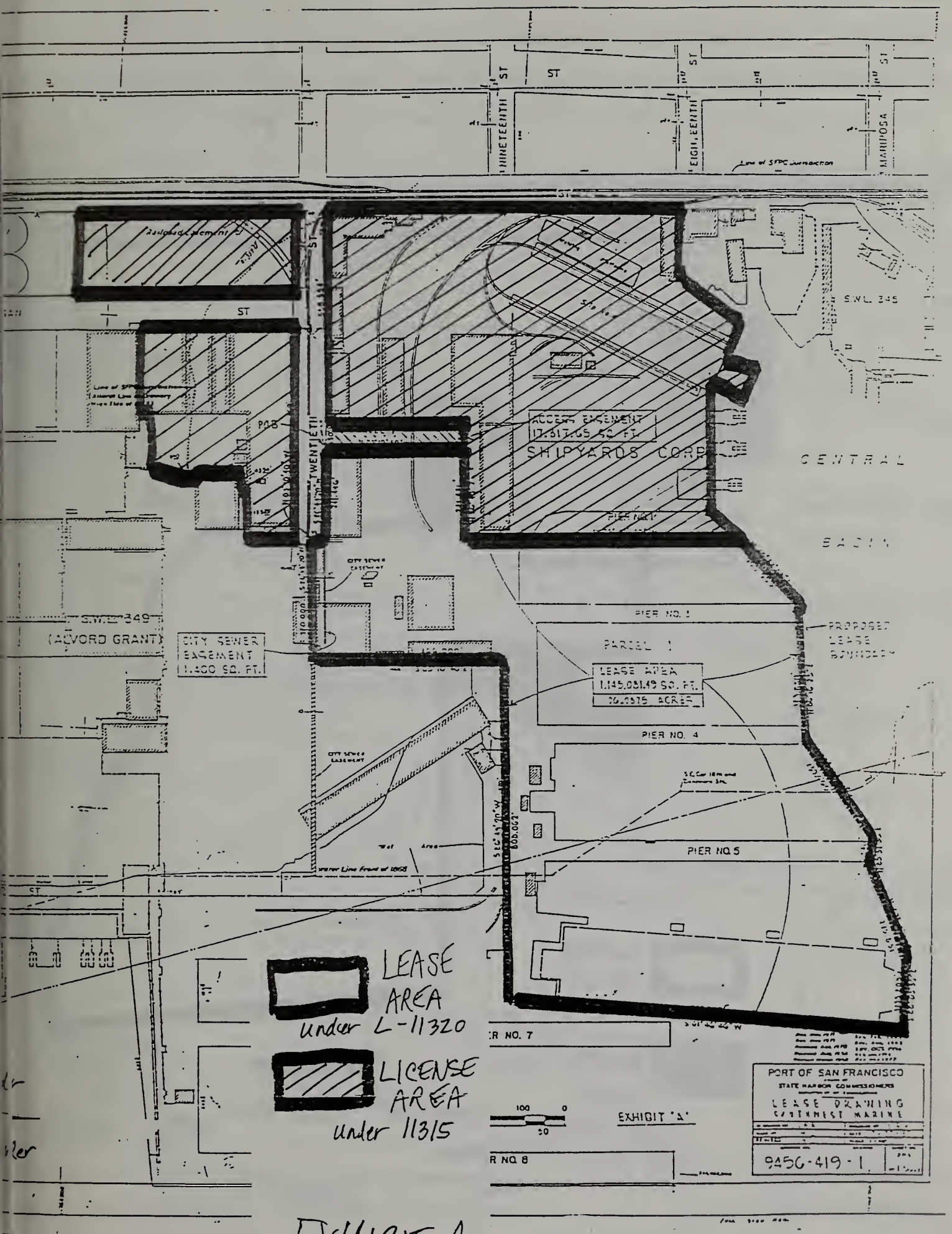
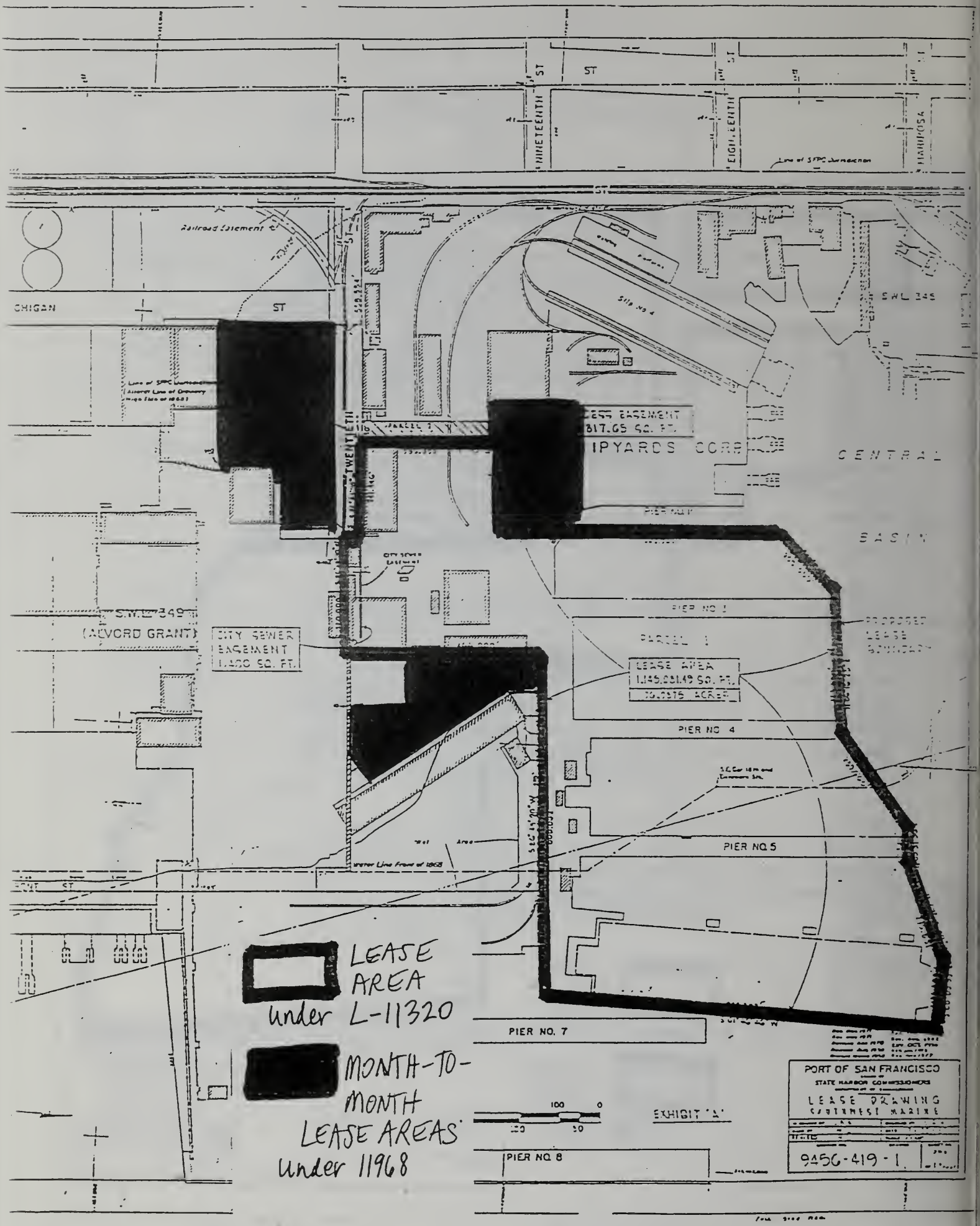

ST
NINETEENTH ST
EIGHTEENTH ST
MARIPOSA ST
Line of SFPC Jurisdiction
Railroad Easement
S.W.L. 345
POB
ACCESS EASEMENT
17,817.65 SQ. FT.
SHIPYARDS CORP
CENTRAL
BASIN
PIER NO. 1
PARCEL 1
LEASE AREA
1,145,081.49 SQ. FT.
26.2975 ACRES
PROPOSED
LEASE
BOUNDARY
S.W.L. 349
(ALVORD GRANT)
CITY SEWER
EASEMENT
1,400 SQ. FT.
PIER NO. 4
PIER NO. 5
PIER NO. 7
PIER NO. 8
LEASE
AREA
under L-11320
LICENSE
AREA
under 11315
100 0
100
EXHIBIT "A"
PORT OF SAN FRANCISCO
STATE HARBOR COMMISSIONERS
LEASE DRAWING
CONTINENTAL MARINE
9456-419-1

EXHIBIT A


ST
NINETEENTH ST
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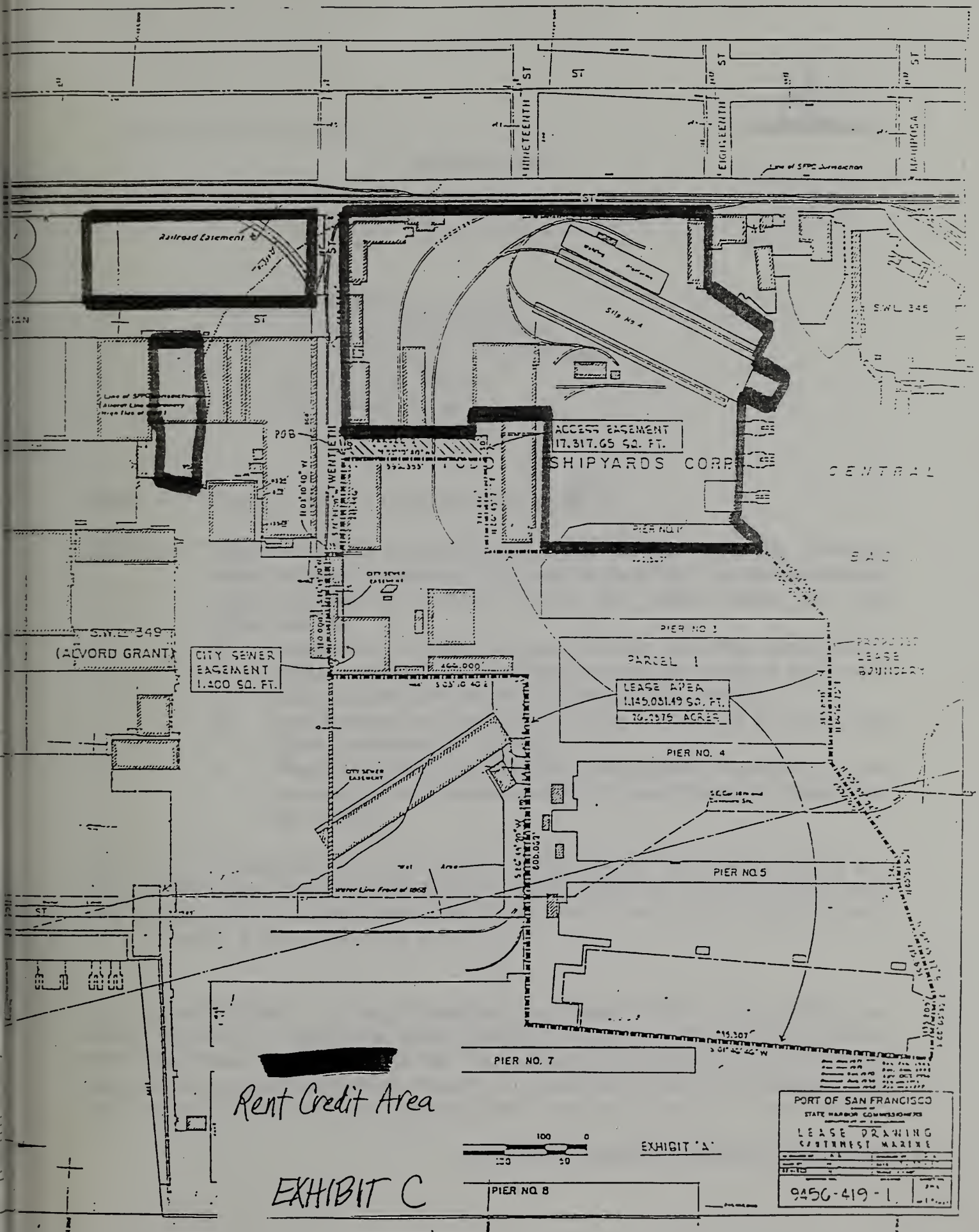
MARIPOSA
CHIGAN ST
SWL 345
CENTRAL
BASIN
PIER NO 1
PARCEL 1
PIER NO 4
PIER NO 5
PIER NO. 7
PIER NO 8
S.W.L. 349
(ALVORD GRANT)
CITY SEWER EASEMENT 1,400 SQ. FT.
LEASE AREA
1,345,091.49 SQ. FT.
30.8975 ACRES
PROPOSED LEASE BOUNDARY
LEASE AREA under L-11320
MONTH-TO-MONTH LEASE AREAS under 11968
EXHIBIT "A"
PORT OF SAN FRANCISCO
LEASE DRAWING
9456-419-1

EXHIBIT B


ST
Railroad Easement
Slip No 4
S.W.L. 345
ACCESS EASEMENT
17,317.65 SQ. FT.
SHIPYARDS CORP
CENTRAL
PIER NO 1
POB
S.W.L. 349
(ALVORD GRANT)
CITY SEWER
EASEMENT
1,400 SQ. FT.
PARCEL 1
LEASE AREA
1,145,031.49 SQ. FT.
26.2975 ACRES
PROPOSED
LEASE
BOUNDARY
PIER NO. 4
PIER NO. 5
PIER NO. 7
PIER NO. 8
Rent Credit Area
EXHIBIT "A"
EXHIBIT C
PORT OF SAN FRANCISCO
LEASE DRAWING
9456-419-1

PORT OF SAN FRANCISCO

MEMORANDUM

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Writer

June 7, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: **Approval of Transactions Related to the Transfer to the San Francisco Public Utilities Commission (PUC) and the San Francisco Redevelopment Agency (SFRA) of Portions of SWL 334 (Berry Street near The Embarcadero):**

(a) **Assignment of Lease Between the Port and Ship Clerks Assn., ILWU Local 34 (ILWU) to SFRA Pursuant to the Option Agreement between SFRA and the Port (Resolution No. 94-91);**

(b) **Port Consent to Amendment of the ILWU lease by ILWU and SFRA (Resolution No. 94-92);**

(c) **Memorandum of Understanding between the Port and PUC for the Construction and Maintenance of a Transit Substation (Resolution No. 94-93).**

DIRECTOR'S RECOMMENDATION: ADOPT RESOLUTIONS NOS. 94-91, 94-92 and 94-93 APPROVING THE ASSIGNMENT AND AMENDMENT OF THE ILWU LEASE AND THE EXECUTION OF AN MOU WITH PUC IN ORDER TO FACILITATE THE BUILDING OF A TRANSIT SUBSTATION ON SWL 334.

The Port and the San Francisco Redevelopment Agency ("SFRA") are parties to an Option Agreement under which SFRA leases Port property to implement the Rincon Point-South Beach Redevelopment Plan. Seawall Lot 334 comprises Parcel M-4 of the optioned area (see attached map). Parcel M-4 includes premises currently leased from the Port by the Ship Clerks Association, ILWU, Local 34 ("ILWU") for its offices and

meeting hall ("ILWU premises"). Also on Parcel M-4 and included within the ILWU leased premises is a small parcel (1,245 sq. ft.) required by the San Francisco Public Utilities Commission ("PUC") to construct and maintain a transit substation for the Muni Metro extension which is part of the Waterfront Transportation Projects ("PUC parcel").

SFRA is in the process of exercising its option on Parcel M-4--excluding the PUC parcel--in order to develop a park in accordance with the Redevelopment Plan. Concurrent with SFRA's exercise of the option, the ILWU lease will be assigned to SFRA, and the ILWU lease will be modified to provide, among other things, that ILWU will relinquish the PUC parcel. The Port will then enter into a Memorandum of Understanding directly with the PUC for the use of the PUC parcel. All parcels leased to SFRA will revert to the Port on completion of the Redevelopment Project.

The PUC parcel is being excluded from the premises transferred to SFRA to allow the Port and PUC to now contract directly without having SFRA as an intermediary. The rent due from SFRA for Parcel M-4 will be reduced by $3,303.57 per year, which is an amount equal to the use fee to be paid by PUC, except that PUC will prepay in FY 1994-95 the fees for the entire term of the MOU.

In order to accomplish these transactions, the following Port Commission actions are required:

1. **Assignment and Assumption Agreement.** The Port must assign all of its right, title and interest in the ILWU lease to SFRA at the time the option is exercised, thereby making it a sublease (Resolution No. 94-91). (When the parcel is returned to the Port at the end of the Redevelopment Project, the Port will reassume its position as landlord under this lease.)

2. **Lease Modification Agreement.** The Port must consent to the amendment of the ILWU sublease, (Resolution No. 94-92). In addition to altering the boundaries of the ILWU premises the Modification Agreement makes the following changes to the lease:

   a) The lease was executed in 1970 for a five-year term, but permits ILWU to extend its tenancy indefinitely in five-year increments by simply holding over at the end of each term. The Modification Agreement provides that the last such extension shall be no later than the year 2030, in order to provide an absolute expiration date (December 1, 2035) within the 66-year limit provided by the City Charter.

   b) The lease permits ILWU to allow others to use its meeting facilities, provided all rents proceeding therefrom are divided equally with

SFRA. The Modification Agreement permits ILWU to deduct its actual costs for such use, including a reasonable amortization of ILWU's improvements to the auditorium facility, from the rental proceeds prior to the 50/50 split with SFRA.

c) The remainder of the Agreement adds provisions governing the parties' rights and responsibilities related to the development and maintenance of South Beach Park, clarifies certain existing provisions of the lease and updates the form of lease to conform with current policies.

3. **Memorandum of Understanding.** The Port and PUC must execute a Memorandum of Understanding authorizing and setting forth the terms and conditions of the PUC's use of the substation parcel (Resolution No. 94-93). The term of the MOU is approximately 56 years, expiring December 31, 2050. PUC shall pay the Port a lump sum fee of $185,000 prior to taking possession of the Premises. (Correspondingly, the Port's annual rent payment from SFRA for Parcel M-4 shall be reduced by $3,303.57.) The amendment of the ILWU lease, as described above, and approval of the substation design are conditions precedent to the MOU.

Approval of these transactions is being requested at this time to accommodate PUC's schedule for completion of the transit element of the Southern Embarcadero Waterfront Transportation Project.

Prepared by: Kirk Bennett, Acting Director
Tenant Services

l:\tenant\agendas\PUC.MEM\June 7, 1994\DS\jef

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-91

WHEREAS, the Port and the San Francisco Redevelopment Agency (SFRA) are parties to an Option to Lease Real Property (the "Option") under which SFRA leases Port property to implement the Rincon Point-South Beach Redevelopment Plan; and

WHEREAS, SFRA now wishes to exercise the Option to lease Seawall Lot 334, designated as Parcel M-4 in the Redevelopment Plan; and

WHEREAS, a portion of Parcel M-4 is currently leased to the Ship Clerks Memorial Hall Association and the Ship Clerks Association, ILWU, Local 34 (the "ILWU Lease"); and

WHEREAS, in order to permit SFRA to implement the Redevelopment Plan, the Port wishes to assign the ILWU Lease to the SFRA and SFRA has agreed to assume all of the Port's obligations as Landlord under the ILWU Lease, subject to mutually acceptable modifications which have been negotiated with the ILWU and the Port; now, therefore be it

RESOLVED, that the Port Commission hereby approves the Assignment of that certain lease by and between the Port, as Landlord, and Ship Clerks Memorial Hall Association and the Ship Clerks Association, ILWU, Local 34, as Tenant, to the San Francisco Redevelopment Agency, effective on such date as SFRA completes the exercise of the Option to lease Parcel M-4 pursuant to the Redevelopment Plan.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 14, 1994.

_____
Secretary

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-92

WHEREAS, the Port and the Ship Clerks Memorial Hall Association and the Ship Clerks Association, ILWU, Local 34 ("ILWU") are parties to a lease dated December 1, 1994 for certain real property on Port property commonly known as Seawall Lot 334 (the "Lease"); and

WHEREAS, said property is subject to an Option to Lease Real Property between the Port and the San Francisco Redevelopment Agency (SFRA) (the "Option") under which SFRA leases Port property to implement the Rincon Point-South Beach Redevelopment Plan (the "Plan") and SFRA; and

WHEREAS, upon exercise of the Option, the the Port shall assign all its right, title and interest in the Lease to SFRA; and

WHEREAS, in order to implement the Plan, SFRA and ILWU wish to amend the Lease to alter the boundaries of the leased premises and make other modifications mutually acceptable to the parties and to the Port; now therefore be it

RESOLVED, that the Port Commission hereby consents to the amendment by SFRA and ILWU of the Lease, effective upon assignment of the Lease to SFRA by the Port, in accordance with the terms of that certain Lease Modification Agreement which accompanies the Memorandum of Agenda Item 5B for the Port Commission Meeting of June 14, 1994.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 14, 1994.

_____
Secretary

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-93

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain manage, regulate and control the Port area of San Francisco; and

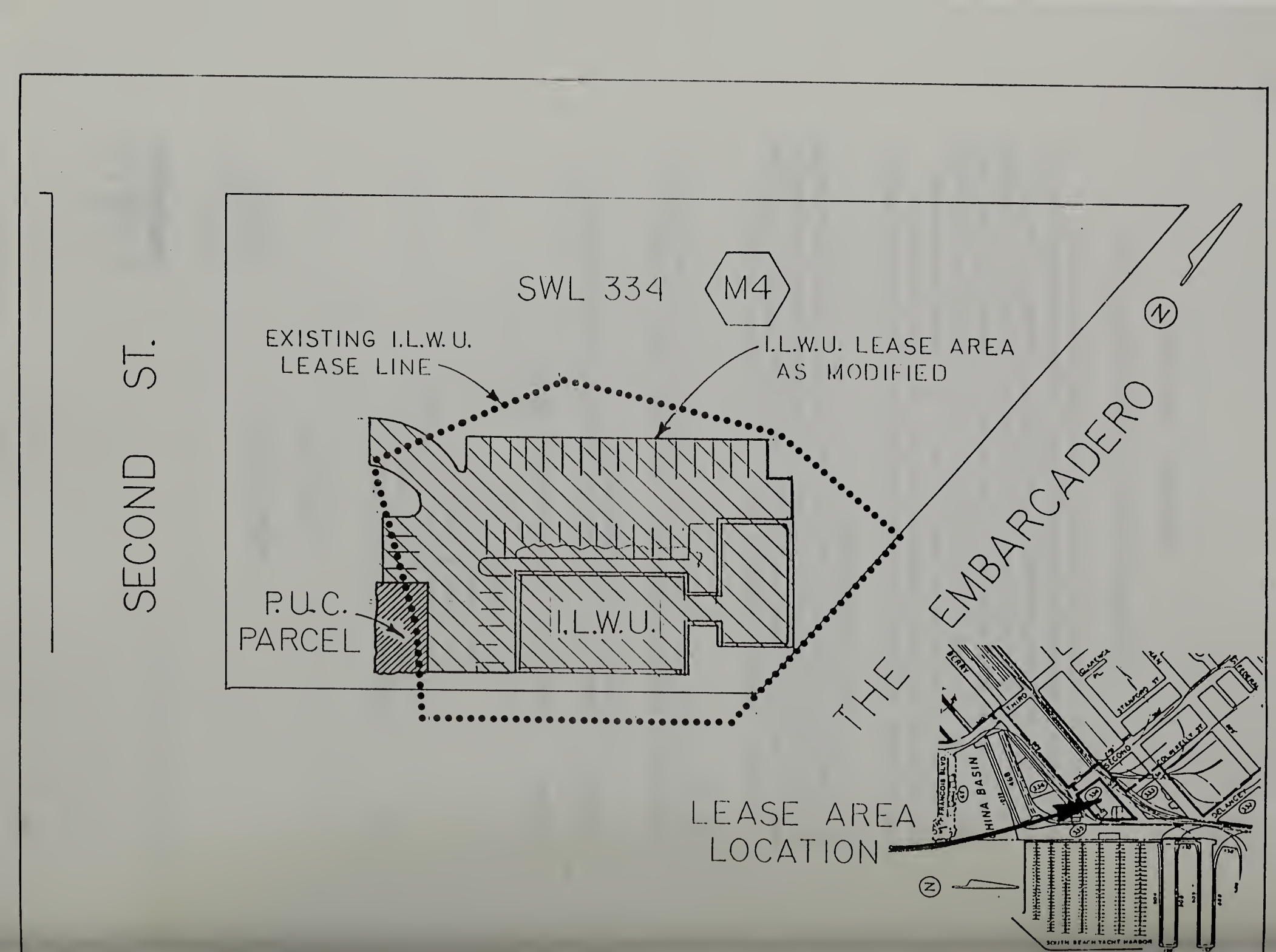
WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the Port Commission approval is being sought for a Memorandum of Understanding (MOU) between the Port and the San Francisco Public Utilities Commission (PUC) authorizing the PUC to use certain Port property for a term of years for the construction and maintenance of a transit substation in accordance with the terms and conditions which are set forth in the Memorandum of Agenda Item 5B for the Port Commission Meeting on June 14, 1994; now therefore be it

RESOLVED, that the Port Commission hereby approves the terms and conditions of that certain MOU set forth in the Memorandum of Agenda Item 5B for the Port Commission Meeting on June 14, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 14, 1994.

_____
Secretary


SECOND ST.
SWL 334
M4
EXISTING I.L.W.U. LEASE LINE
I.L.W.U. LEASE AREA AS MODIFIED
P.U.C. PARCEL
I.L.W.U.
THE EMBARCADERO
N
LEASE AREA LOCATION
CHINA BASIN
SOUTH BEACH YACHT HARBOR

PORT OF SAN FRANCISCO

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Cable SFPORTCOMM
Writer

MEMORANDUM

JUNE 8, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Contract 2592R, "Drydock and Overhaul of the Fireboat Phoenix", Approval to Issue Modification No. 1

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ISSUE CONTRACT MODIFICATION NO. 1 TO BAY SHIP & YACHT COMPANY FOR $64,574

At the regular Commission meeting of February 24, 1994, approval was given to award Contract 2592, Drydock and Overhaul of the Fireboat "PHOENIX" to Bay Ship & Yacht Company of Richmond, California. The total contract amount was $100,002. It was financed by $80,000 from the Port's budget for fireboat drydocking and $20,002 from the San Francisco Fire Department.

After the vessel was lifted out of the water and placed in drydock, additional damage was discovered. As a result, unanticipated work will be required to replace thin corroded areas of the hull and to repair worn areas on the propeller shafts and their bearings. The cost of this work will be $64,574. The San Francisco Fire Department has requested that this additional work be done as part of Contract 2592R since it will be another two years before the vessel will be placed back in drydock. To accomplish this, the Fire Department has arranged to have the $64,574 transferred to the Port to fund a contract modification to the existing contract. Staff recommends that once the funds have been received by the Port that a contract modification be issued.

THIS PRINT COVERS CALENDAR ITEM NO. 6A

Prepared by: Cliff Jarrard

agd-2592.sz

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-78

WHEREAS, the Commission previously authorized the award of Contract 2592R, "Drydock and Overhaul of the Fireboat Phoenix" to Bay Ship & Yacht Company for $100,002; and

WHEREAS, after the vessel was lifted out of the water and placed in drydock, additional damage was discovered; and

WHEREAS, unanticipated work will be required to replace thin corroded areas of the hull and to repair work areas on the propeller shafts and their bearings at a cost of $64,574; and

WHEREAS, the San Francisco Fire Department has requested that this additional work be performed under Contract 2592R since it will be two years before the vessel is placed in drydock again; and

WHEREAS, to accomplish this additional work, the Fire Department has arranged to have the $64,574 transferred to the Port to fund a contract modification to Contract 2592R; therefore be it

RESOLVED, that the Commission authorize staff to issue Modification No. 1 to Contract 2592R, "Drydock and Overhaul of the Fireboat Phoenix", to Bay Ship & Yacht Company for $64,574, for a total contract amount of $164,576, after the funds for this additional work are received by the Port from the Fire Department.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 14, 1994.

_____
Secretary

agd-2592.sz

PORT OF SAN FRANCISCO

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Cable SFPORTCOMM
Writer

MEMORANDUM

June 14, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Authorize the Executive Director to apply for , accept and expend grant funds from the Federal Highway Administration under Section 1064 (FY 1995) of the Intermodal Transportation Efficiency Act (ISTEA) for final design of the Ferry Building restoration project and the construction of a ferry and excursion dock at Candlestick Park.

DIRECTOR'S RECOMMENDATION: ADOPT RESOLUTION AUTHORIZING GRANT APPLICATION.

Under Section 1064 of the Intermodal Transportation Efficiency Act (ISTEA), the "Discretionary Ferry Boat and Terminal Fund", the Federal Highway Administration allocates $17 million on an annual basis for ferry related projects on a nationwide basis. Port Staff has identified two projects which are eligible for funding under the program and seek the Commission's authorization to submit the projects for funding.

Restoration of the Ferry Building.
The Port is requesting a $1.2 million grant towards the preparation of final design of the project. The grant requires a 20% match which will be provided through the design work the Port is contributing to the Ferry Terminal Up-grade project. The Ferry Terminal project is funded with Proposition 116 funds from the State.

THIS PRINT COVERS CALENDAR ITEM NO. 9A

In its present condition, the Ferry Building actually prevents easy access between ferries, excursion vessels and land based transit systems. The future growth of commuter ferry ridership in the Bay Area depends, in part on providing easy and convenient access between ferries and the transit systems in San Francisco. The Ferry Building renovation project will accomplish this goal.

The grant will fund preparation of final design plans and specifications for the renovation of the Ferry Building. This grant from Section 1064 would complement two previously secured grants from the Transportation Enhancement Activities (TEA) fund under ISTEA. The two TEA grants (which total $2.0 million) will fund preliminary design and feasibility analysis, environmental review, and construction of the central passenger corridor through the Building.

Ferry and Excursion Landing Facility at Candlestick Park.
The Port is requesting a $500,000 grant. The grant from the federal government will require a 20% match which will be provided by through in house design work and a proposed grant from the MTC under its Region 1, Excess Bridge Toll Reserve.

The project will entail the installation of a ferry and excursion landing facility for loading and/or unloading passengers at Candlestick Point Park. The planned landing facilities would need to be able to accommodate large number of passengers within a relatively short period of time. As a result, the ramps and access paths from the landing facility will have to be adequately sized. Discussions with the San Francisco 49ers and Giants organizations have indicated the possibility of providing electric or low powered trams to meet arriving passengers.

The service portion of the project will entail soliciting commitments from ferry and excursion operators to provide scheduled service to Candlestick Park from locations around the Bay. Proposed departure locations include -- Downtown San Francisco Ferry Terminal, San Francisco Fisherman's Wharf (Piers 41, 43 1/2, 39 or 33 1/2), Jack London Square (Port of Oakland), City of Alameda, Harbor Bay Isle, Larkspur and Vallejo.

Prepared by: Sharon Lee Polledri, Director
Planning & Development

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-86

WHEREAS, WHEREAS, The Federal Highway Administration has solicited applications for the Fiscal Year (FY) 1995, Discretionary Ferry Boat Fund (Section 1064, Intermodal Surface Transportation Efficiency Act); and

WHEREAS, The Port of San Francisco has identified two projects eligible for funding under Section 1064 that will complement and enhance the priorities of the Port Commission and other regional transportation agencies; and

WHEREAS, Under the City and County of San Francisco Charter Section 3.581, the Port of San Francisco has the authority to apply for, accept and expend Section 1064 funds. And additionally, the Port of San Francisco has the financial capability to complete the projects described below; Now, therefore be it,

RESOLVED, The Port Commission does hereby authorize the Executive Director to apply for, accept and expend Section 1064 grant funds for the following projects --

1. Final plans and specifications for the Ferry Building Restoration project. Application amount: $1,200,000.

2. Installation of a ferry and excursion landing facility at Candlestick Point Park. Application amount: $500,000.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of _____

_____
Secretary

SLP/fj/I:AGD6/14b

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

June 14, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Authorize Executive Director to apply for, accept and expend grant funds from the Metropolitan Transportation Commission's Excess Bridge Toll Revenue for ferry and excursion passenger enhancements in Fisherman's Wharf and at the Ferry Building, and to provide ferry and excursion landing facilities at Candlestick Park.

DIRECTOR'S RECOMMENDATION: AUTHORIZE APPLICATION.

The Metropolitan Transportation Commission (MTC) has solicited 1994 -95 grant applications from public entities to reduce vehicular traffic on Bay area bridges (excluding the Golden Gate Bridge) by implementing bicycle facilities and for the planning, construction, operation and acquisition of rapid water transit systems. The grant resources are from a Regional Measure 1, "Three Percentage Reserve" funds, which ear marks a portion of the annual bridge toll revenue for transportation projects.

Port Staff has worked with various tenants at the Port as well as the MTC to identify several projects eligible for the grant fund. The proposed projects for the FY 1994 - 95 cycle are --

1. Provide ferry and excursion passenger amenities in Fisherman's Wharf and at the Ferry Building. Improvements would include additional sidewalks, benches, lighting and signage. Application amount: $100,000.

2. Construct a Ferry and Excursion Landing Facility at Candlestick Park. Application amount: $175,000.

THIS PRINT COVERS CALENDAR ITEM NO. 9B

The grant funds will complement several grant applications and/or funds for the areas identified. In the Fisherman's Wharf area, new grant funds from the MTC will augment the pedestrian improvements around the triangle parking lot, as well as an application to Proposition B (Sales Tax Revenue) under the County Transportation Authority for additional sidewalk construction and street trees. At Candlestick Park, the grant will augment a previously authorized grant application to the Air District for construction of a ferry and excursion landing facility and the Federal Highway Administration under Section 1064.

It is important to point out the grant moneys from the "3% Reserve" do not require a match from the Port or other local sources and can be a match for other funding sources.

Prepared by: Sharon Lee Polledri, Director
Planning & Development

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-87

WHEREAS, The Metropolitan Transportation Commission has solicited grant applications for the 1994 - 1995, Three Percent Reserve Bridge Funds; and

WHEREAS, The Port of San Francisco has identified two projects eligible for funding under the Three Percent Reserve Bridge Fund that will complement and enhance the priorities of the Port Commission and other regional transportation agencies; and

WHEREAS, Under the City and County of San Francisco Charter Section 3.581, the Port of San Francisco has the authority to apply for, accept and expend the Three Percentage Reserve Bridge Funds. And additionally, the Port of San Francisco has the financial capability to complete the projects described below; Now, therefore be it,

RESOLVED, The Port Commission does hereby authorize the Executive Director to apply for, accept and expend Three Percent Reserve Bridge Funds for the following projects --

1. Provide ferry and excursion passenger amenities in Fisherman's Wharf and at the Ferry Building. Improvements would include additional sidewalks, benches, lighting and signage. Application amount: $150,000.

2. Construct a Ferry and Excursion Landing Facility at Candlestick Park. Application amount: $175,000.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of _____

_____
Secretary

SLP/fj/I:AGD6/14c.94

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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MINUTES OF THE MEETING
JUNE 14, 1994

1. **ROLL CALL**

Meeting was called to order by President Preston Cook at 4:07 p.m. The following Commissioners were present: Preston Cook, Anne Halsted, Frank O'Neill, Frankie Lee. Commissioner Herman was absent.

2. **APPROVAL OF MINUTES** - May 24, 1994 Minutes

ACTION: Commissioner Lee moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; minutes of the May 24, 1994 meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Mr. Bouey reported the following:

1) The Port completed its bond sale this morning. The Port, for some time now, endeavored to refinance its existing debt service but has been rebuffed on previous occasions. Because of the Port's dismal financial performance over the last year or so coupled with the recent departure of the shipping lines, there was concern that the Port would not have been able to refinance its debt service. However, the Port has made enough improvement in other areas that it was able to obtain a triple B+ rating with a stable outlook from Standard and Poors and an A rating from Moody's. This morning the Port sold $54.6 million worth of bonds at a true interest cost of 5.75%. Staff should be commended for their time and efforts: Kirk Bennett who, after the departure of the shipping lines, spent much time reworking commercial numbers. As well, the City Attorney's office led by Julie, put in many hours. A special thanks goes to Ben Kutnick for his constant reworking and refining of the numbers; he did great work! The closing is scheduled for June 28; as always, a possibility exists that we might not be able to close but there's no reason why this bond sale shouldn't close.

2) The Waterfront Advisory Board continues to meet and staff expects that the Board will vote on the Waterfront Plan this Saturday; and, in the next month or so will present the plan to the Port Commission. Mr. Bouey informed the Commission that he had asked the Waterfront Advisory Board to vote on exempting from the Prop H moratorium, the renovation of the Ferry Building and the construction of the public dock at Pier 52 including a restaurant and a retail shop. He advised that he was interested in running not a political but a civic campaign, which would require a unanimous vote by the Waterfront Advisory Board. With a unanimous or near unanimous vote, staff would be able to ask the Commission for their approval; after which staff would then approach the Mayor and all 11 supervisors to request that they put the exemption on the November ballot. With the Mayor's and the supervisors' concurrence, staff would then conduct a civic campaign; i.e. one which wouldn't require the Port to raise money and to support our position.

B. Revisions to the Port's 1994/95 Operating Budget (Resolution No. 94-75)

Mr. Bouey stated that, regretfully, staff brings to the Commission a budget revised from that previously approved in March. Subsequent to the adoption of that budget, the Port has experienced the relocation of the 5 shipping lines to other bay area ports. The net result is the Port has lost approximately $2.2 million in revenue. Port Commission will remember that when staff submitted the last budget, it also was painful and significant cuts were made in just about every category including promotion, equipment, materials & supplies, insurance and, of course, the lay off of employees. With this further cut in revenue, there is little left to remove from the budget except bodies. The Port is laying off an additional 18 positions; 15 of which are actually filled. Additional cuts were made in materials and supplies. Because of the Mayor's veto, some revenues that were to be allocated for salary increases were also replaced into the budget. As well, we are doing significantly better on the commercial side so we were able to use those monies to mitigate against some of the lost revenue. The bottom line is the Executive Director presented a budget that essentially reflects the loss of 18 more positions. Of the 44 total positions laid off, 34 have bodies. Of those laid off, 4 are in management positions, 5 in professional positions (engineering or engineering related positions), 10 were in management assistance/rental collection agency types of classifications and represented by Local 790 and 15 were in positions represented by crafts union. Staff continues to work diligently to provide a variety of services to those laid off; including job search, resume writing, interview workshops, individual counseling, mentor relationships and inter-departmental placement. At this time, of the 16 employees who do not have bumping rights, 3 have located jobs; leaving 13 employees that we hope will be placed in the future. While it's not a budget that staff wants to bring to the Commission, necessity dictates otherwise. Staff, however, has done the very best job possible in looking at what areas to cut, to leave the Port in a position to take advantage of future opportunities with the advent of the Waterfront Plan. Staff asks for Commission's concurrence to adopt the revised budget.

ACTION: Commissioner O'Neill, with regret, moved approval; Commissioner Halsted, with regret, seconded the motion. All Commissioners in favor; resolution was adopted.

Commissioner O'Neill inquired about the Pier 48 lease that was denied by the Board of Supervisors and how many positions that revenue would have funded. Mr. Bouey stated it affected 4 to 5 positions.

4. **CARGO SERVICES** - No Items Calendared

5. **TENANT SERVICES**

A. Approval of Amendment to Lease and of New Month-to-Month Lease with Southwest Marine, Inc. at Pier 70 (Resolution No. 94-90)

Mr. Bouey stated that discussions have gone on for quite some time between Southwest Marine (SWM) and the Port. Both parties have reached agreement, however, there is one change which the Commission needs to be advised. The highlights of the agreement are as follows: The Port is reducing the base rent to a $1 million or 3% of the gross revenues; It is waiving the 1993 cost of living index adjustment until January 1, 1997; SWM will vacate and return possession of the licensed area retaining some of the areas contained in License 11315; SWM shall solely be responsible for the performance and expense of any dredging

operations necessary for their business; The Port will waive the insurance requirements on the drydocks for two years as of January 1, 1994. If damage occurs to the drydocks, rent shall continue unabated and SWM shall remain liable to repair all damage to the drydocks under Paragraph 13 of the lease; SWM shall not do anything to interfere with the legitimate business access to the Pier 70 drydock facilities; The Port and SWM both waive all claims against each other arising from events occurring prior to the date of the extension of the lease amendment and in any default that SWM of the terms of the amendment shall be default under the lease. The one item that represents a change concerns hazardous materials. The Port standard lease form holds a tenant responsible for all hazardous waste. Staff is modifying this clause so that SWM is only responsible for the handling and clean up of hazardous materials that are released on the property during any period of their occupancy of the premises. As Commission is aware, previous to SWM assuming control of these facilities, a number of other industrial enterprises were on the same property. Port staff agrees with SWM that they should not be held responsible for hazardous materials that were deposited during that period of time. A base line was never drawn after the previous tenants left so if a clean up is required, it's going to be a muddy picture. Staff asks for Commission's concurrence with the attached resolution.

ACTION: Commissioner O'Neill moved approval including the hazardous waste clause; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution, with amendments as outlined by the Executive Director, was adopted.

Commissioner Lee inquired whether a base line will be set now since there was no base line set when the tenant moved in, otherwise the picture will get muddier. Mr. Bouey stated that these tenants have already been on the property for a number of years. It would be difficult at this time to allocate a base line attributable to SWM as opposed to Todd Shipyards or Bethlehem Steel which had tenancies prior to SWM.

Commissioner O'Neill complimented staff during this difficult negotiation period and welcomed SWM and the jobs and services they provide.

Commissioner Halsted acknowledged Mr. Carl Hanson's presence and stated that she was pleased that the operation is continuing and looks forward to a possibility of more commercial business in the future. Mr. Hanson commented that it has been a good year so far.

B. Approval of Transactions related to the Transfer to the San Francisco Public Utilities Commission (PUC) and the San Francisco Redevelopment Agency (SFRA) of Portions of SWL 334 (Berry Street near The Embarcadero)

1) Assignment of Lease Between the Port and ILWU Local 34 to SFRA pursuant to the Option Agreement between SFRA and the Port (Resolution No. 94-91)

2) Consent to Amendment of the ILWU lease by ILWU & SFRA (Resolution No. 94-92)

3) Memorandum of Understanding between the Port and PUC for the Construction and Maintenance of a Transit Substation (Resolution No. 94-93)

ACTION: NO ACTION TAKEN; THIS ITEM HAS BEEN PUT OVER.

6. **ENGINEERING**

A. Contract 2592R, Drydock and Overhaul of the Fireboat Phoenix," Bay Ship and Yacht Company, approval to execute Modification No. 1 for additional work at the request of and funded by the Fire Department for $64,574. (Resolution No. 94-78)

Mr. Bouey stated that when the contract was originally awarded, it was bid with a base bid and alternates. At that time, it was suggested to the Commission that the Fire Department may wish, at a later date, to fund one or more of those alternates. Indeed, the Fire Department has indicated that wish additional work to be done for which they will pay. Staff asks Commission's concurrence with the attached resolution.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolution was adopted.

Commissioner O'Neill inquired whether the Port owns two fireboats. Mr. Bouey stated the Port owns one fireboat and the Fire Department owns the other but the Port maintains and operates both of them through the Fire Department. Commissioner O'Neill further inquired whether assistance for the maintenance of the fireboats can be obtained. Mr. Bouey stated he would indeed like to get assistance but given the fascination that the public has with the fireboats, it would be tough to delete them from our budget and given the difficulties that the City is currently experiencing with the general fund it's unlikely that the Fire Department would be able to be of much help.

7. **PLANNING & DEVELOPMENT** - No Items Calendared

8. **INTERNAL SERVICES** - No Items Calendared

9. **CONSENT CALENDAR**

A. Authorize the Executive Director to Apply for, Accept and Expend Grant Funds from the Federal Highway Administration under Section 1064 (FY 1995) of the Intermodal Transportation Efficiency Act (ISTEA) for final design of the Ferry Building and the of establishment of a Ferry and Excursion Dock at Candlestick Park. (Resolution No. 94-86)

B. Authorize the Executive Director to Apply for, Accept and Expend Grant Funds from the Metropolitan Transportation Commission (MTC) under Regional Measure 1, 3% Reserve Funds from Bridge Toll Revenues for Ferry and Excursion Passenger Enhancements in the Fisherman's Wharf Area and at the Ferry Building and the establishment of a Ferry and Excursion Dock at Candlestick Park (Resolution No. 94-87)

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolutions on the Consent Calendar were adopted.

10. **NEW BUSINESS** - No new business

11. **EXECUTIVE SESSION**

A. At 4:25 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following:

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. This is specifically authorized under California Government Code Section 54956.8.

B. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

Commissioners Cook, Halsted, O'Neill, and Lee returned from Executive Session and convened in public session at 5:20 p.m.

ACTION: Commissioner Halsted moved approval to not disclose information discussed at the Executive Session; Commissioner Lee seconded the motion. All Commissioners in favor.

Meeting was adjourned.

//PORT COMMISSION

PORT OF SAN FRANCISCO

FERRY BUILDING RENOVATION

MASTER PLAN AND FEASIBILITY STUDY

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COMMUNITY WORKSHOP #2

The Ferry Building is one of San Francisco's most important civic landmarks, anchoring the foot of Market Street and the Embarcadero and presiding over the confluence of numerous modes of transportation. As part of the process to determine the reuse and rehabilitation of this remarkable building, the Port of San Francisco held a Community Workshop in March, 1994, to discuss the project.

The Port will hold a second workshop to ensure broad public understanding of and participation in the project. The second workshop will be held on Thursday, June 23, 1994. The Port, along with a consultant team lead by James Stewart Polshek and Partners, ROMA Design Group, Keyser Marston Associates and Cervantes Design Associates, will be on hand to present the use option alternatives for the renovation of the Ferry Building.

Community Workshop #2, Ferry Building Renovation

Port Commission Room
Suite 3100, Third Floor, Ferry Building
Thursday, June 23, 1994
5:00 PM

For any additional information, please contact Paul Osmundson, Port of San Francisco Ferry Building Project Manager, at 274-0546.

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SAN FRANCISCO PORT COMMISSION

REGULAR MEETING
4:00 p.m., JUNE 28, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - June 14, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Request the Mayor and the Board of Supervisors to place an Ordinance on the Ballot, amending certain sections of Proposition H (S.F. Admin. Code 61.2), to exempt from the Moratorium, City agency actions necessary to permit certain non-maritime land uses (not including hotels) as part of the restoration of buildings on the San Francisco Waterfront that are listed on the National Register of Historic Places (Ferry Building, Agricultural Building), and to permit a retail and food service use as part of a project to improve a public boat launch ramp and dock facility at Pier 52. (Resolution No. 94-97).

4. **CARGO SERVICES**

5. **TENANT SERVICES**

   A. Approval of a Lease with Humm Baby Associates at SWL 329 (Bryant Street at the Embarcadero) (Resolution No. 94-60)

   B. Approval of a Lease with the San Francisco Unified School District at Pier 80 Terminal and at 501 Army Street. (Resolution No. 94-95)

6. **ENGINEERING**

   A. Professional Services Contract No. SA 3992026, "Ferry Building Earthquake Damage, Seismic Analysis and Repair Design," H.J. Degenkolb Structural Engineers, approval to execute Modification No. 13 to accommodate future Ferry Building improvements at a cost not to exceed $64,100. (Resolution No. 94-80)

   B. Ferry Terminal Improvements, Stage Two, Presentation of Alternatives by Roma.

7. **PLANNING & DEVELOPMENT**

   A. Approval of: (1) Contract with Environmental Science Associates (Resolution No. 94-98) and (2) Memorandum of Understanding with the Dept. of City Planning for professional services to prepare an Environmental Impact Report for the Waterfront Plan. (Resolution No. 94-99)

8. **INTERNAL SERVICES**

9. **CONSENT CALENDAR**

A. Refunds and Allowances Report - May 1994 (Resolution No. 94-96)

10. **NEW BUSINESS**

11. **EXECUTIVE SESSION**

An Executive Session has been calendared to discuss the status of the following litigation matters:

A. Conference with Legal Counsel - Anticipated Litigation

1) Motion that Port Commission meet in closed session to confer with Counsel to consider initiation of litigation pursuant to subdivision (c) of California Government Code Section 54956.9 (1 case).

2) Motion that Port Commission meet in closed session to confer with Counsel to discuss significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9 (2 cases) based on government claims against the Port by Embarcadero Triangle Associates and Office Pavilion (OP Contract, Inc.)

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivisions (c) and (b).

B. Conference with Real Property Negotiator

Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. This is specifically authorized under California Government Code Section 54956.8.

C. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

PORT OF SAN FRANCISCO

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MEMORANDUM

June 28, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Request the Mayor and the Board of Supervisors to place an ordinance on the November, 1994 Ballot, amending a section of Proposition H (S.F. Admin. Code 61.2) to exempt from the moratorium City Agency actions necessary to permit certain non-maritime land uses (not including hotels) as part of the restoration of buildings on the San Francisco waterfront that are listed on the National Register of Historic Places (Ferry Building, Agriculture Building), and to permit a retail and food service use as part of project to improve a public boat launch ramp and dock facility at Pier 52.

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE EXECUTIVE DIRECTOR TO REQUEST THAT THE MAYOR AND BOARD OF SUPERVISORS PLACE THE ABOVE REFERENCED ORDINANCE ON THE NOVEMBER, 1994 BALLOT

Project Description

In November, 1990 the voters of San Francisco approved Proposition H, which banned hotel development on piers and within 100 feet of the shoreline, mandated the preparation of a comprehensive waterfront land use plan and established a moratorium on new non-maritime development on piers and within 100 feet of the shoreline until the plan is complete.

THIS PRINT COVERS CALENDAR ITEM NO. 3B

In early 1991 a 27 member Waterfront Plan Advisory Board was created to make recommendations on the land use plan. After three years of work, the Advisory Board has prepared a Draft Waterfront Land Use Plan. The Environmental Impact Report for the plan should be completed by the fall of 1995. However, until the plan is completed. the moratorium on new non-maritime land uses on piers and within 100 feet of the shoreline is in effect.

Ferry Building Renovation

The historic renovation of the Ferry Building has been a long time goal of the City of San Francisco and the San Francisco Port Commission. The Port was recently awarded a $1.0 million grant from the Transportation Enhancement Activities (TEA) Program of ISTEA (the Intermodal Surface Transportation Efficiency Act of 1991) to fund preliminary design. engineering and environmental review for the project. A consulting team is currently conducting a feasibility and design study for the renovation. and another consulting team has been selected to conduct environmental review of the project.

The primary reasons the Port is seeking the exemption for the Ferry Building renovation are related to timing, market conditions. development interest and community support.

The Port will be seeking additional federal funding for the project. and has already identified several possible federal funding sources. It is difficult to apply for major federal grants with the non-maritime development moratorium in effect. Because of the federal transportation funding cycle established by ISTEA (the Intermodal Surface Transportation Efficiency Act of 1991), the opportunity to acquire federal funds for this project may be seriously delayed or jeopardized.

The project enjoys widespread community support, as evidenced by the Waterfront Plan Advisory Board's recommendation that an ordinance be placed on the November, 1994 ballot exempting the Ferry Building from the moratorium. There would be no public purpose served in delaying the project until the certification of the plan. The Advisory Board stipulated that the project be consistent with the recommendations in the Draft Waterfront Land Use Plan. Moreover, the project must still comply with all applicable planning and development regulations (City Planning, BCDC, State Lands Commission).

The Port has a limited amount of staff to dedicate to development projects. If the Ferry Building project is delayed until the completion of the plan, it would then compete with other potential revenue generating projects for staff time and priority. Moving the project forward will make the most efficient use of the Port staff's time.

The project will likely require the involvement of a private development entity. The moratorium effectively prevents any serious interest by developers, and would delay the engagement of a private developer until after the plan is complete.

Public Boat Launch

Similarly, the public boat launch project at Pier 52 is project that enjoys widespread community support and is ready to move forward now. Since the boat launch itself is a maritime use, it is not affected by the development moratorium. However, the Port is planning to develop a small, 3,000 square foot ancillary retail commercial establishment in conjunction with the boat launch. The facility would provide ancillary retail and food services uses that would serve the recreational boating and water use community.

In summary, the public interest will be best served by moving the Ferry Building renovation project and the public boat launch projects forward now. The ability of the Port to effectively move these projects forward at this time depends on the exemption from the non-maritime development moratorium provisions of Proposition H.

Prepared by: Dennis P. Bouey

PORT COMMISSION
CITY AND COUNT OF SAN FRANCISCO

RESOLUTION NO. 94-97

WHEREAS, in 1990 the voters of San Francisco approved Proposition H, which banned hotels on piers and within 100 feet of the shoreline, required the preparation of a comprehensive waterfront plan and established a moratorium on new non-maritime uses on piers and within 100 feet of the shoreline; and

WHEREAS, the Port has conducted a comprehensive, three year planning process under the direction of the Waterfront Plan Advisory Board, a 27 member citizens group created to make recommendations on the plan; and

WHEREAS, the Draft Waterfront Land Use Plan is complete, and an Environmental Impact Report is expected to be complete by the fall of 1995; and

WHEREAS, until the Waterfront Land Use Plan is completed, the moratorium on new non-maritime development on piers and within 100 feet of the shoreline remains in effect; and

WHEREAS, the Port has been conducting preliminary design and feasibility analysis on two projects (the historic renovation of the Ferry Building and the development of a public boat launch), and is prepared to move forward with these projects, as they have broad community support; and

WHEREAS, the Waterfront Plan Advisory Board, with a unanimous 19-0 vote, has adopted the following motion:

"The Waterfront Plan Advisory Board recommends to the Mayor and the Board of Supervisors that an exemption to Proposition H be placed on the November 1994 ballot to permit two projects to proceed: 1) restoration of the Ferry Building and Agriculture Building and improvements to adjacent piers, excluding any portion of Pier 1 to the north, and 2) a public boat launch ramp and dock facility, with an ancillary retail and food service use to serve the recreational boating and water use community. These two projects shall be consistent with the recommendations in the Draft Waterfront Land Use Plan presented to the Port Commission by the Advisory Board and all applicable planning and development laws and regulations. These two projects shall not include hotels."; and

WHEREAS, the public interest will be best served by moving these projects forward at this time; now, therefore be it,

RESOLVED, that the Port Commission hereby requests the Mayor and the Board of Supervisors to place an ordinance (in the form attached hereto) on the November, 1994 Ballot, amending a section of Proposition H (S.F. Admin. Code 61.2) to exempt from the moratorium City Agency actions necessary to permit non-maritime land uses (not including hotels) as part of the restoration of buildings on the San Francisco waterfront that are listed on the National Register of Historic Places (Ferry Building, Agriculture Building), and to permit a retail and food service use as part of a project to improve a public boat launch ramp and dock facility at Pier 52.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 28, 1994.

_____
Secretary

FILE NO._____ ORDINANCE NO._____

AMENDING CHAPTER 61 OF THE SAN FRANCISCO ADMINISTRATIVE CODE BY AMENDING SECTION 61.2 TO EXEMPT FROM THE MORATORIUM CITY AGENCY ACTIONS NECESSARY TO PERMIT CERTAIN NON-MARITIME LAND USES (NOT INCLUDING HOTELS) AS PART OF THE RESTORATION OF BUILDINGS ON THE SAN FRANCISCO WATERFRONT THAT ARE LISTED ON THE NATIONAL REGISTER OF HISTORIC PLACES (FERRY BUILDING, AGRICULTURAL BUILDING), AND TO PERMIT A RETAIL AND FOOD SERVICE USE AS PART OF A PROJECT TO IMPROVE A PUBLIC BOAT LAUNCH RAMP AND DOCK FACILITY AT PIER 52.

Be it ordained by the people of the City and County of San Francisco:

Section 61.2 is hereby amended to read as follows:

SEC 61.2. LAND USE PLANNING PROCESS.

(a) Upon adoption of this initiative, the Board of Supervisors shall within 30 days request the Port Commission to prepare a "Waterfront Use Land Plan" which is consistent with the terms of this initiative for waterfront lands as defined by this ordinance. Should the Port Commission not agree to this request within 30 days of the Board of Supervisors request, the Board of Supervisors shall have 30 days to designate a different City agency or department to prepare the "Waterfront Land Use Plan."

(b) The agency drafting the "Waterfront Land Use Plan" shall consult the City Planning Commission to ensure development of a plan consistent with the City's Master Plan. The final plan and any subsequent amendments thereto shall be subject to a public hearing conducted by the City Planning Commission to ensure consistency between the plan and the City's Master Plan.

(c) The "Waterfront Land Use Plan" shall define land uses in terms of the following categories:

(1) Maritime land uses;

(2) Acceptable non-maritime land uses; and

(3) Unacceptable non-maritime uses.

Land uses included in these categories which are not part of the initial ordinance shall be added to Sections 61.3 through 61.5 of this ordinance as appropriate. No deletions from Sections 61.3 through 61.5 shall be allowed unless approved by the voters of San Francisco;

(d) No City agency or officer may take, or permit to be taken, any action to permit the new development of any non-maritime land use (except those land uses set forth in Section 61.4 below) on the waterfront until the "Waterfront Land Use Plan" has been completed. Non-maritime land uses existing or which have all their necessary permits, as of January 1, 1990, shall be exempt from this limitation. Non-maritime land uses, except hotels as provided in Section 61.5(c), incorporated as part of (1) a project to restore buildings on the San Francisco Waterfront that are listed on the federal National Register of Historic Places as of January 1, 1994, (the Ferry Building and Agricultural Building) and improve the adjacent pier areas, excluding any portion of Pier 1 to the north, and (2) a project to improve a public boat launch ramp and dock facility at Pier 52 if the non-maritime land use is limited to a retail and food service use of approximately 3000 square feet to serve the recreational boating and water use community, shall be exempt from this limitation provided that the projects would be subject to all other applicable laws and regulations.

(e) The "Waterfront Land Use Plan" shall be reviewed by the agency which prepared it or by such other agency designated by the Board of Supervisors at a minimum of every five years, with a view toward making any necessary amendments consistent with this initiative.

(f) The "Waterfront Land Use Plan" shall be prepared with the maximum feasible public input.

APPROVED AS TO FORM:

LOUISE H. RENNE

CITY ATTORNEY

_____

By: Deputy City Attorney

PORT OF SAN FRANCISCO

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MEMORANDUM

June 15, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of a Lease with Humm Baby Associates at the Intersection of Bryant Street and The Embarcadero.

DIRECTOR'S RECOMMENDATION: APPROVE THE LEASE WITH HUMM BABY ASSOCIATES.

Background

As a part of the Waterfront Transportation Project, the intersection of Bryant Street and The Embarcadero was realigned, which created a 6,342 square foot triangular parcel at the northwest corner of this intersection. The Waterfront Transportation Plan envisioned that this parcel would be developed as a publicly accessible plaza and park. This parcel, which is shown on the attached Exhibit 1, has been designated as the new Seawall Lot ("SWL") 329.

Humm Baby Associates, a California limited partnership, is the developer of the Portside condominium project at the northeast corner of the intersection of Main and Bryant Streets. Part of the Portside property is adjacent to the northern property line of SWL 329. The portion of the ground floor of the Portside building nearest to SWL 329 is to be developed as a restaurant. Humm Baby Associates proposes to lease SWL 329 from the Port and develop the property as a plaza and park. The plaza and park would be fully accessible to the public and would include an area for outdoor seating for the adjacent restaurant. The outdoor seating area is currently planned for take out seating only; food sales would occur inside the restaurant facility. However, food may be sold on SWL 329 in the future. An illustration of the proposed development scheme is shown on Exhibit 2.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

Proposed Lease

1.	**Tenant** -	Humm Baby Associates, a California limited partnership
2.	**Premises** -	6,342 square feet of open space, comprising all of SWL 329.
3.	**Term** -	10 years commencing July 1, 1994, with an option to extend the term for 10 years. The terms and conditions, including rent, for the 10 year extended term are to be negotiated when the option is exercised. If agreement is not reached, the option will be null and void.
4.	**Base Rent** -	$951.36 per month ($.15 per square foot), which shall be increased annually based on increases in the Consumer Price Index.
5.	**Percentage Rent** -	7% of gross receipts from food sold on SWL 329, which shall be in addition to (not offset by) the base rent.
6.	**Improvements** -	Tenant, at its sole cost and expense, shall develop a public plaza and park in accordance with plans approved by the Port. The improvements are estimated to cost in excess of $40,000.
7.	**Maintenance** -	Tenant shall maintain the public plaza and park at its expense.

While the rent is within the pre-approved parameter, Port Commission approval is required because the proposed term exceeds 5 years. The proposed lease will also require approval by the Board of Supervisors due to the option which could potentially extend the term by an additional 10 years.

Prepared by: Kirk Bennett, Acting Director
Tenant Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-60

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for a Lease with the Humm Baby Associates, a California limited partnership, as Tenant, the terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on June 28, 1994; therefore be it

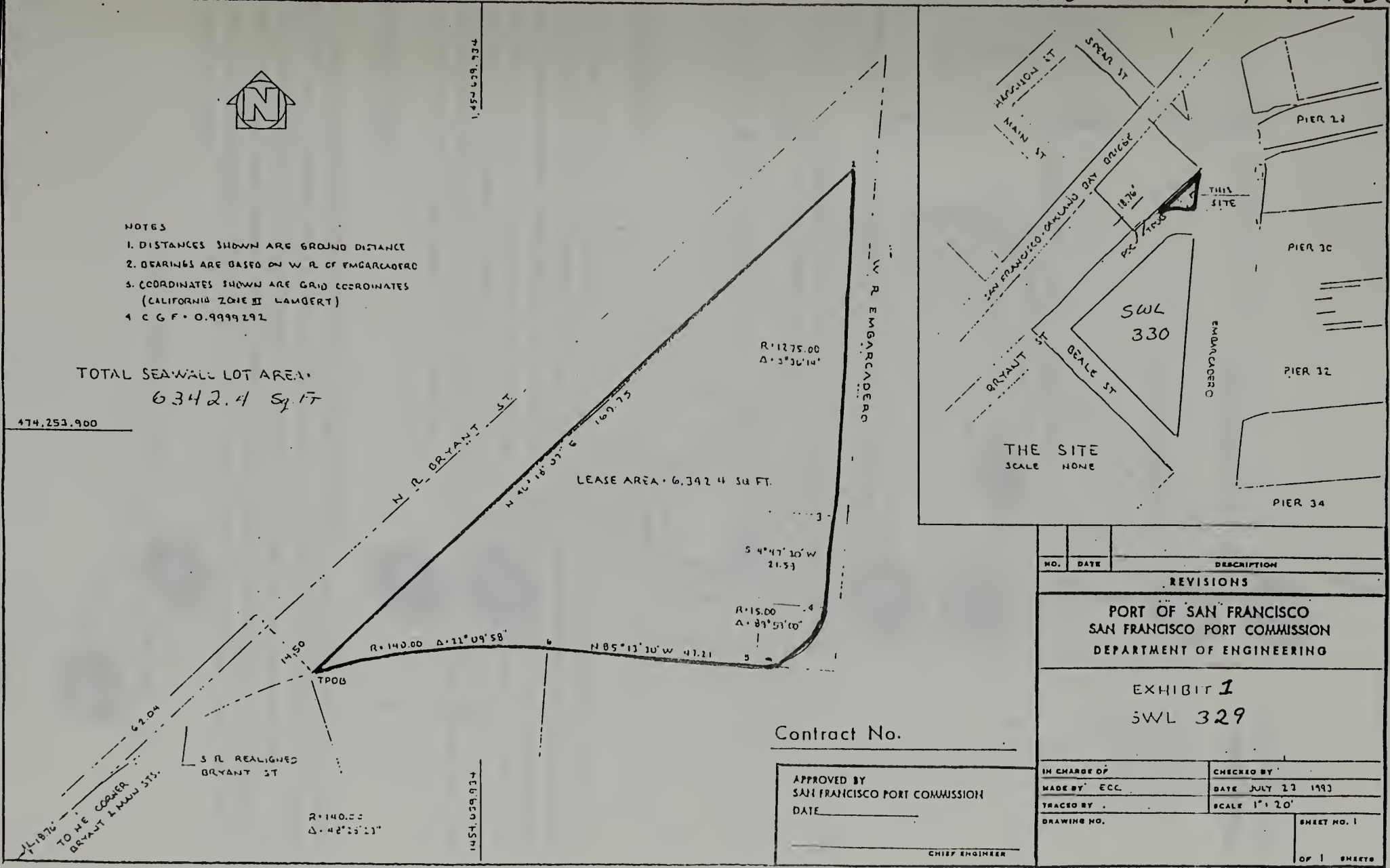
RESOLVED, that the Port Commission hereby approves the business terms of that certain Lease, which terms are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on June 28, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 28, 1994.

_____
Secretary

EXHIBIT 1

HUMM BABY ASSOC



Contract No.

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE

CHIEF ENGINEER

NO.	DATE	DESCRIPTION

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

EXHIBIT 1
SWL 329

IN CHARGE OF	CHECKED BY
MADE BY ECC	DATE JULY 22 1993
TRACED BY	SCALE 1" = 20'
DRAWING NO.	SHEET NO. 1 OF 1 SHEETS

EXHIBIT 2 HUMM BABY ASSOC

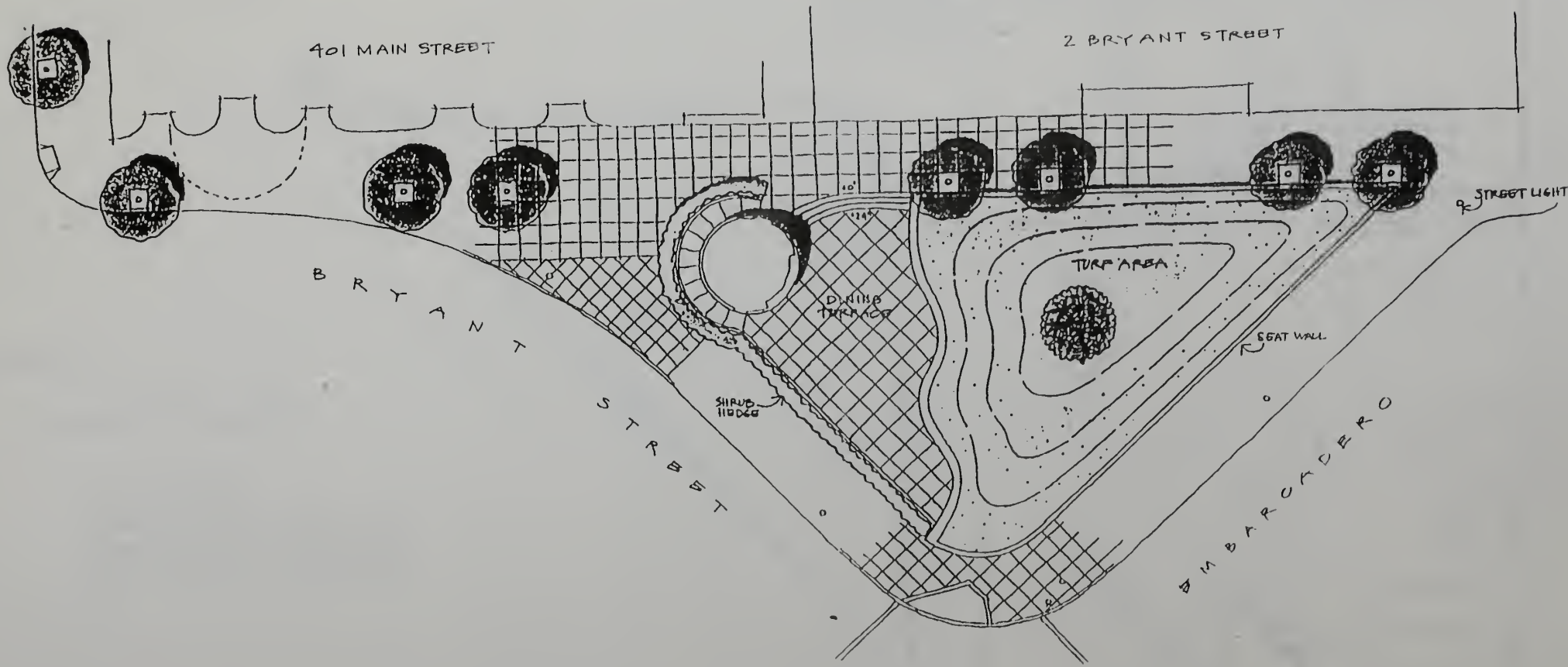


EXHIBIT 2

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

June 28, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Approval of Lease with the San Francisco Unified School District for Shed and Office Space at the Pier 80 Army Street Terminal.

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT.

Background

The San Francisco Unified School District ("SFUSD") currently occupies a warehouse and office facility on Toland Street, which must be vacated while earthquake repairs and environmental retrofitting are undertaken. SFUSD therefore has an immediate temporary need for warehouse and office space. With the temporary closure of the Pier 80 Army Street Terminal, these interim space needs of SFUSD could be met at Pier 80 and thereby generate short term revenue for the Port, without preventing use of the terminal for container cargo handling.

Proposed Lease

A lease has been negotiated by Port staff and SFUSD for shed space in Shed A at the Pier 80 Army Street Terminal and office space in the Pier 80 Administration Building. The proposed terms and conditions of this lease are outlined on the next page. This lease proposal has been reviewed with Cargo Services to ensure that this occupancy would not jeopardize the use of the Pier 80 Army Street Terminal as a container cargo handling facility.

THIS PRINT COVERS CALENDAR ITEM NO. 5B

1. **Premises** - 50,000 square feet in Shed A at the Pier 80 Army Street Terminal and 12,000 square feet of office space in the Pier 80 Administration Building at 501 Army Street, as shown on the attached Exhibit.

2. **Term** - 24 months commencing July 1, 1994, subject to the right of SFUSD to terminate on 60 days prior notice beginning in 13th month of the term.

3. **Rent** -

	Square Feet	Monthly Rent	Rent Per Square Foot
Shed Space	50,000	$12,500.00	$.25
Office Space	12,000	$ 6,000.00	$.50
Total	62,000	$18,500.00	

Annual rent - $222,000.

4. **Improvement Allowance** - SFUSD will be granted an improvement allowance of $37,000.00 for carpet installation and asbestos removal in the office space. This equals $3.08 per square foot of office space, and will be taken in the form of a credit against the first two months' rent.

5. **Option to Expand** - During the first 90 days of the term, SFUSD shall have the option to expand the shed space portion of the premises by 10,000 square feet. The monthly rent for this expansion space shall be $2,500.00 per month, $.25 per square foot.

Prepared by: Kirk Bennett, Acting Director Tenant Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-95

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

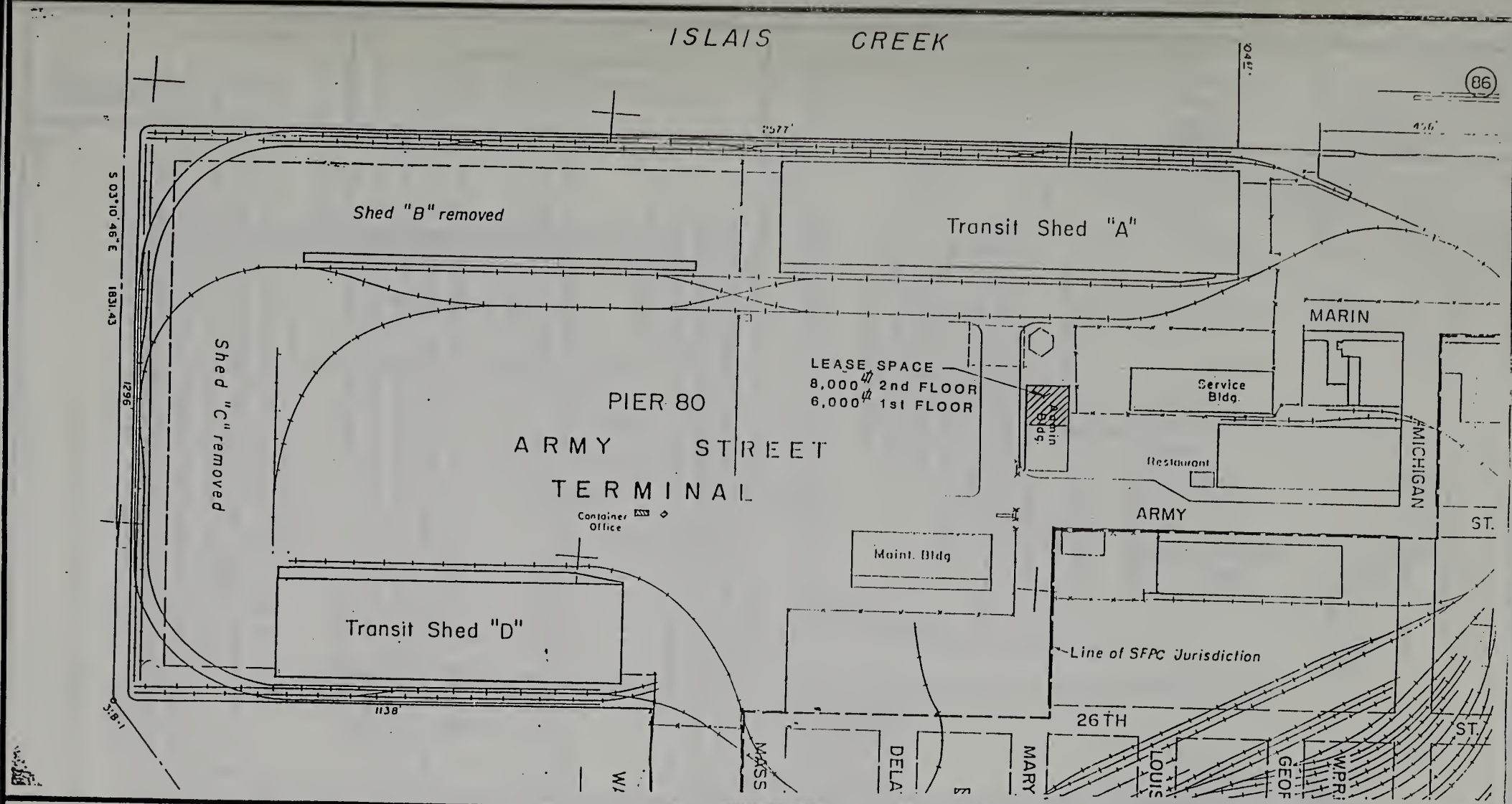
WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for a Lease with the San Francisco Unified School District, as Tenant, the terms of which are set forth in the Memorandum of Agenda Item 5B for the Port Commission Meeting on June 28, 1994; therefore be it

RESOLVED, that the Port Commission hereby approves the business terms of that certain Lease, which terms are set forth in the Memorandum of Agenda Item 5B for the Port Commission Meeting on June 28, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 28, 1994.

_____
Secretary



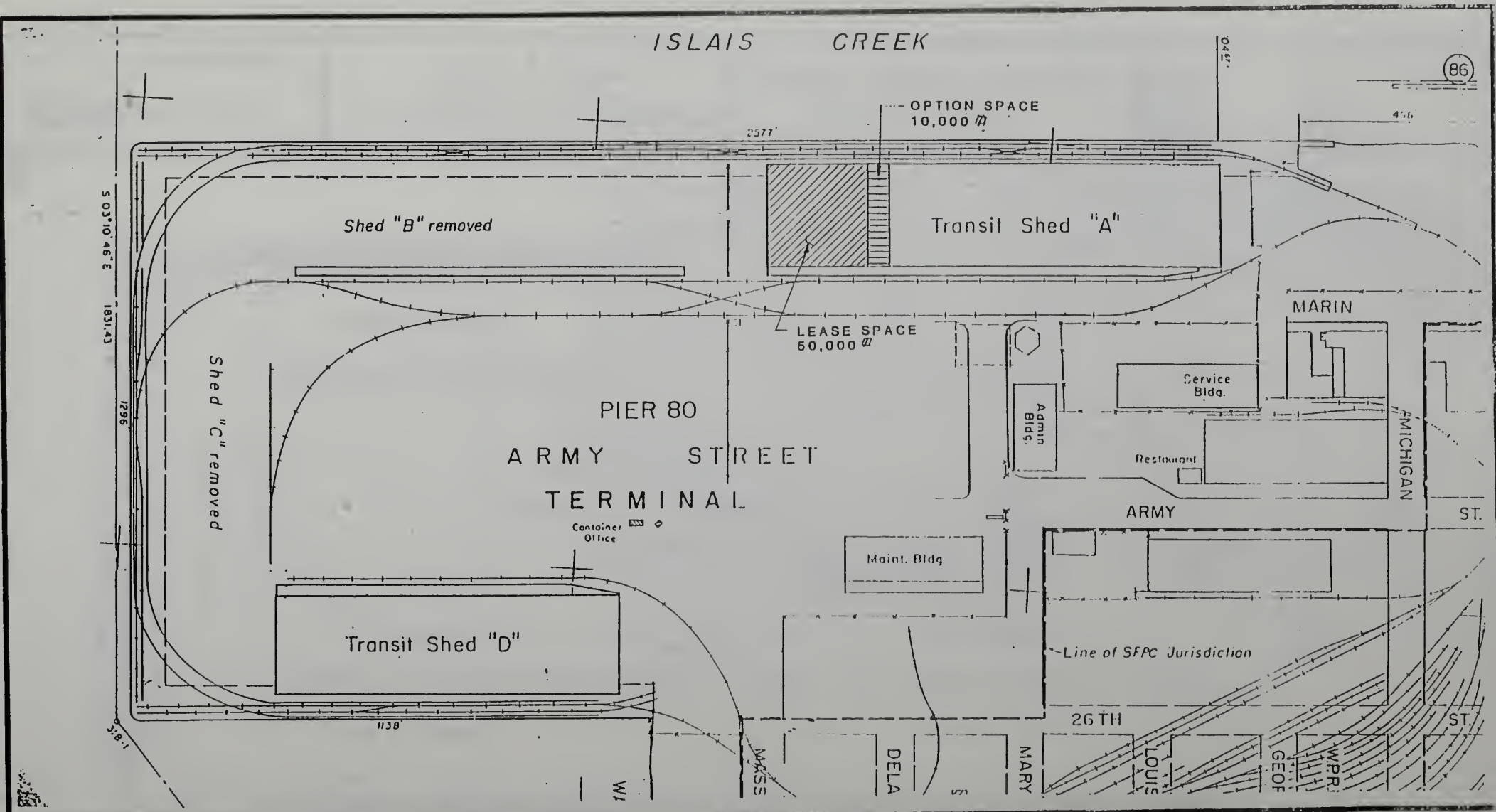
APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

_____
CHIEF HARBOR ENGINEER

SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

SAN FRANCISCO
UNIFIED SCHOOL DISTRICT

DESIGNED BY:	CHECKED BY:
DRAWN BY:	DATE:
CONTRACT NO.	SCALE:
DRAWING NO.	SHEET NO.
	OF SHEETS



APPROVED BY SAN FRANCISCO PORT COMMISSION DATE _____ _____ CHIEF HARBOR ENGINEER	SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	SAN FRANCISCO UNIFIED SCHOOL DISTRICT	DESIGNED BY: / CHECKED BY: DRAWN BY: / DATE: CONTRACT NO. / SCALE: DRAWING NO. / SHEET NO. OF SHEETS

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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Writer

MEMORANDUM

June 22, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Professional Services Contract No. SA 3992026, "Ferry Building Earthquake Damage, Seismic Analysis and Repair Design," H.J. Degenkolb Structural Engineers, approval to execute Modification No. 13 to accommodate future Ferry Building improvements at a cost not to exceed $64,100.

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ISSUE CONTRACT MODIFICATION NO. 13 TO H. J. DEGENKOLB ENGINEERS FOR AN AMOUNT NOT TO EXCEED $64,100

The Ferry Building suffered damaged in the 1989 Loma Prieta Earthquake. After performing some emergency repairs, the Port issued an RFP to select a structural team to evaluate the damage, make recommendations for repair, prepare construction contract documents for that work and perform support services to the Port during the construction contracts. The Port selected a team headed by H. J. Degenkolb Structural Engineers to perform this work.

The Federal Emergency Management Agency (FEMA) and the Office of Emergency Services (OES) authorized funding this consulting work in increments, forcing the Port to execute each part of the professional services contract in pieces. This was accomplished through a series of contract modifications, although the original scope of work included most of the consulting work authorized to date.

THIS PRINT COVERS CALENDAR ITEM NO. 6A

The proposed construction work was separated into two stages. Stage One was for earthquake damage repair and includes rebuilding large sections of the south wall, attaching some of the parapet walls on the Embarcadero facade of the building, strengthening the clock tower and repairing masonry damage. This work is underway and is scheduled to be completed in August, 1994. Stage Two is for hazard mitigation work and includes construction of several new shear walls on the front of the Embarcadero facade of the building and laterally across portions of the south wing of the building. Because Stage Two work is entirely to strengthen the building and not repair it, Port staff underwent months of negotiations with FEMA/OES to receive their approval to fund all of this construction. The agencies finally agreed and Degenkolb completed the design for Stage Two in 1993.

At the time the Stage Two shear wall improvements were designed, the Port did not have a conceptual design for the overall renovation of the Ferry Building. Thus, Degenkolb designed the shear walls for the building in its current configuration. Since that time, however, the Port has secured federal Transportation Enhancement Activity (TEA) funds to prepare preliminary designs for the overall Ferry Building renovation, and has hired a multi-disciplinary design team to do preliminary design and engineering.

This team - led by the architecture firm of James Stewart Polshek - has done preliminary conceptual design, and has recommended that some modifications be made to the Degenkolb shear wall design that are consistent with the preliminary renovation plans now being prepared. Specifically, it has been recommended that the shear wall at the base of the clock tower be modified so as to provide a wider opening for pedestrians and ferry passengers to pass through. Also, the shear wall on Column Line B, which is the Embarcadero facade of the building, would be modified to provide periodic arched openings, such that the space could be better utilized.

Stage Two construction work was originally scheduled for advertisement in April, 1994. The advertisement was put on hold to investigate using the TEA funds for Degenkolb to redesign the location and layout of the shear walls. This redesign will avoid constructing the FEMA/OES funded shear walls in a manner that conflicts with the proposed renovation plans for the Ferry Building. FEMA/OES have agreed to pay for the construction of the revised and relocated shear walls, provided that none of the work is an enhancement over what was originally proposed. The total estimated construction cost of Stage Two work is $2,000,000.

FEMA/OES will not pay for the redesign cost of Stage Two since those agencies have already paid the full cost of the original design.

Staff recommends that a contract modification be issued to the H. J. Degenkolb Structural Engineers design team not to exceed $64,100 for that group to redesign the proposed Stage Two shear walls. This redesign will be funded out of Port emergency funds. Degenkolb will incorporate at least 30% MBE subconsulting work into this redesign modification.

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-80

WHEREAS, the Port Commission previously authorized staff to enter into a professional services contract with H. J. Degenkolb Structural Engineers for "Ferry Building Earthquake Damage, Seismic Analysis and Repair Design"; and

WHEREAS, as part of its scope of work Degenkolb prepared final plans and specifications for Stage Two of the Ferry Building seismic mitigation work, which involves construction of shear walls in various locations throughout the south wing of the Ferry Building; and

WHEREAS, Degenkolb began preparing those plans in 1992 based on the assumption that the Ferry Building would remain in its present configuration for the foreseeable future; and

WHEREAS, since that time the Port has begun preliminary design for the overall renovation of the Ferry Building, with funding from the U.S. Department of Transportation; and

WHEREAS, the original shear wall design conflicts with the proposed conceptual design for the overall renovation in several places; and

WHEREAS, redesigning sections of the shear wall work now will greatly increase the likelihood that the shear wall construction done now as part of the FEMA/OES funded earthquake repairs will be compatible and consistent with future plans for an overall renovation of the building; therefore be it

RESOLVED, that the Port Commission approves the proposed Contract Modification No. 13 with H. J. Degenkolb Structural Engineers for an amount not to exceed $64,100, for a total contract amount of $516,017.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 28, 1994.

_____
Secretary

DKLBAG L Drive

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

JUNE 22, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: North Ferry Terminal Improvements, Stage Two - Presentation of Alternative Layouts

DIRECTOR'S RECOMMENDATION: STAFF PROCEED WITH DEVELOPMENT OF A PREFERRED ALTERNATIVE

At the regular Commission meeting of January 25, 1994, the Commission approved the award of a professional services contract to a team led by the Roma Design Group for work on the North Ferry Terminal Improvements, Stage Two project. The consultant was to provide architectural and engineering services to supplement Port engineering staff's design of improvements to this facility. One of the first tasks was to provide alternative, conceptual design schemes and layouts for the ferry terminal structure, barges and covered walkway. That has been done and the consultant is ready to present the alternatives to the Commission. Absent objection, staff will proceed with the development of the preferred alternative.

This project is financed entirely with outside funding. The Port secured $8,500,000 from the California Transportation Commission under Proposition 116, the Clean Air and Transportation Improvement Program and a matching amount of $500,000 from the Federal government under Section 1064, the Ferryboat Discretionary Program, of the Intermodal Surface Transportation Efficiency Act.

THIS PRINT COVERS CALENDAR ITEM NO. 6B

Prepared by: Cliff Jarrard

agd-2592.sz

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

June 28, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of contract for professional services with Environmental Science Associates (ESA) and a letter agreement with the Department of City Planning for preparation of an Environmental Impact Report (EIR) for the Port of San Francisco's Waterfront Plan.

DIRECTOR'S RECOMMENDATION: APPROVE CONTRACT WITH ENVIRONMENTAL SCIENCE ASSOCIATES AND LETTER AGREEMENT WITH THE DEPARTMENT OF CITY PLANNING FOR PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE WATERFRONT PLAN.

Resolution No. 93-156, approved by the Port Commission on December 15, 1993 authorized staff to enter into negotiations with the highest ranked consultant selected through the RFP process (and possibly the Department of City Planning) to establish a formal scope of work and contract for preparation of an Environmental Impact Report (EIR) for the Port's Waterfront Plan.

In March, discussions with the Department of City Planning(DCP) concluded that DCP had sufficient capacity and staff availability to prepare a significant portion of the environmental analysis. A preliminary scope of work that DCP could perform was negotiated and an estimated fee for services established.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

On April 5, 1994 four proposals for professional services were received for preparation of an EIR, with the understanding that DCP would be responsible for the delivery of specific portions of the environmental analysis.

Environmental Science Associates (ESA) was selected as having submitted the highest ranking proposal. Contract negotiations began on May 3, 1994 resulting in a refined scope of services for both ESA and the Department of City Planning.

Two Resolutions are attached for the Port Commission's consideration: A contract and scope of services with ESA and a letter agreement and scope of services with the Department of City Planning. Together, these instruments will result in the preparation of an EIR for the Port's Waterfront Plan.

BACKGROUND:

In November 1990, Proposition H was passed by San Francisco voters, which banned hotels on piers and called for the development of a land use plan for Port property. The measure also established a moratorium on new non-maritime development on waterside properties within Bay Conservation and Development Commission (BCDC) jurisdiction until the land use plan is completed.

In order to approve the Plan, the environmental impacts must be analyzed, pursuant to the California Environmental Quality Act (CEQA). Given the comprehensive nature of the Waterfront Plan, the preparation of a program level Environmental Impact Report (EIR) is recommended.

The Port has budgeted up to $639,000 for the preparation of the EIR, including contingency funds to augment the budget for responses to comments, if needed. At the time the extent of the public comments are known (in Spring 1995), the remaining project scope will be reviewed. Port Commission approval will be sought for any additional funds that may be necessary at that time. On August 25, 1993, the Port Commission approved Resolution No. 93-117 authorizing the expenditure of an additional $429,000 for the EIR; $210,000 for the EIR had been allocated in previous fiscal budgets. The supplemental budget appropriation was approved by the Board of Supervisors on April 20, 1994.

Prepared by: Sharon Lee Polledri
Director of Planning & Development

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-98

WHEREAS, in November 1990, San Francisco voters passed Proposition H, which called for the development of a land use plan for waterside Port properties; and

WHEREAS, the Port Commission established the Waterfront Plan Advisory Board to carry out a public planning process in order to develop a comprehensive and financially viable Waterfront Plan, to be recommended to the Port Commission for its review and adoption; and

WHEREAS, the Waterfront Plan must be evaluated to assess its potential environmental impacts, pursuant to the California Environmental Quality Act (CEQA); and

WHEREAS, given the scope of the Plan, it is anticipated that an Environmental Impact Report (EIR) will be required; and

WHEREAS, on December 15, 1993, the Port Commission adopted Resolution No. 93-156 authorizing Port staff to enter into negotiations with the highest ranked consultant identified through the RFP process and possibly the Department of City Planning to establish a formal scope of work and contract for the preparation of an EIR for the Waterfront Plan; and

WHEREAS, Environmental Science Associates (ESA) prevailed as the highest ranked consultant and proposes, in collaboration with the Department of City Planning, to prepare an EIR for the Waterfront Plan, pursuant to the attached scope of services; therefore be it

RESOLVED, that the San Francisco Port Commission hereby approves award of Contract No. -----, " Waterfront Plan Environmental Impact Report" to Environmental Science Associates for $395,000.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of JUNE 28, 1994

Secretary

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-99

WHEREAS, on December 15, 1993, the Port Commission adopted Resolution No. 93-156 authorizing Port staff to enter into negotiations with the highest ranked consultant identified through the RFP process and possibly the Department of City Planning to establish a formal scope of work and contract for the preparation of an EIR for the Waterfront Plan; and

WHEREAS, the Department of City Planning has identified specific portions of the overall scope of services to prepare an EIR for which its staff is able and available to perform, in collaboration with the selected consultant, pursuant to the attached scope of services; therefore be it

RESOLVED, that the San Francisco Port Commission hereby approves letter agreement No. -----, " Waterfront Plan Environmental Impact Report," with the Department of City Planning for specified environmental analysis services for $205,000.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of JUNE 28, 1994

Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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Writer

MEMORANDUM

June 20, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Refunds and Allowances Report - May 1994

DIRECTOR'S RECOMMENDATION: APPROVE REFUNDS AND ALLOWANCES REPORT

Attached, for your approval, is the Refunds and Allowances report for the period ending May 31, 1994.

Prepared by: Ben Kutnick

THIS PRINT COVERS CALENDAR ITEM NO. 9A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-96**

RESOLVED, that the San Francisco Port Commission hereby approves the May 1994 Refunds and Allowances report.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 28, 1994.

_____
Secretary

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
May 31, 1994

ATTACHMENT 1

	REVENUE TYPE	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS	TOTAL
	Cargo Service Division				
1.	Cargo Facility Rent				0
2.	Container Crane Rental				0
3.	Demurrage				0
4.	Dockage				0
5.	Facility Damage				0
6.	Miscellaneous Revenue				0
7.	Misc. Services to Tenants				0
8.	Security Deposits				0
9.	Service Charges				0
10.	Wharfage - Cargo				0
11.	Wharfage - Non-Cargo				0
	Subtotal	$ 0	$ 0	$ 0	$ 0
	Tenant Service Division				
1.	Commercial Rent	$ 9,504	$ 17,268		$ 26,772
2.	Dockage				0
3.	Electrical Power Service	5	1,872		1,877
4.	Facility Damage			$ 720	720
5.	Fishing Boats		208	2	210
6.	Fish Facility Rent				0
7.	Maritime Related Rent				0
8.	Misc. Services to Tenants				0
9.	Miscellaneous Revenue		11,660		11,660
10.	Parking Stalls		5,261	1,256	6,517
11.	Penalty Charges		96	45	141
12.	Percentage Rentals		9,360		9,360
13.	Permits				0
14.	Service Charges		171	58	229
15.	Security Deposits		2,282		2,282
16.	Ship Repair				0
17.	Wharfage - Non-Cargo				0
	Subtotal	$ 9,509	$ 48,178	$ 2,081	$ 59,768
	Total	$ 9,509	$ 48,178	$ 2,081	$ 59,768

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
MAY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
CARGO SERVICE DIVISION						
Total for Cargo Service Division			$ 0	$ 0	$ 0	$ 0

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
MAY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
TENANT SERVICE DIVISION						
COMMERCIAL RENT						
1. Pier 23 Cafe	476163	To issue credit for invoice #473233 as tenant was billed for both old and new rate (duplicate billing) for the month of April 1994.		$ 509		$ 509
2. Pillsbury and Martignoni	477275	To credit portion of March rent because tenant's lease was terminated 3/15/94 and credit invoice #473260 for April rent because of duplicate billing by Tenant Services.		2,802		2,802
3. Bay World Trading, Ltd.	477279	To credit May rent because tenant should not have been billed until July 1994.		777		777
4. Davis, Rodman	477280	To credit April rent as tenant is deceased. Space now rented to Cory Graham.		592		592
5. Pick Your Part Auto Wreck	477284	To credit June rent because of termination of lease effective 5/31/94.		5,406		5,406
6. Earl Office	47728S	To credit various invoices because of erroneous billing, Tenant's permit was converted to lease.		726		726
7. You and Leisure	477288	To issue credit for improvement allowance for new interior wall per lease.	$ 4,000			4,000
8. You and Leisure	477289	To issue credit for improvement allowance for carpets per lease.	4,600			4,600
9. Santos-Cucalon	477292	To issue credit for improvement allowance for new floor coverings per lease.	550			550
10. Cappa & Graham, Inc.	477298	To credit invoice #473092 as tenant was billed twice for April '94 under old and new rate.		3,609		3,609
11. Planning Collaborative	477299	To credit invoice #475049 as tenant was billed twice for May '94 under old and new rate.		1,628		1,628
12. Seven (7) invoices under $500	Various		354	1,219		1,573
Subtotal CRNT			9,504	17,268	0	26,772
ELECTRICAL POWER						
1. Hersch, Norman	477283	To issue credit because of erroneous billing. Charges should have been billed to S. F. Clothing Bank.		1,860		1,860
2. Two (2) invoices under $500	Various		5	12		17
Subtotal ELEC			5	1,872	0	1,877
FACILITY DAMAGE						
1. Jerry Rude	476030	To write-off invoice #447829 as tenant had moved out his space and Collection Department had had several unsuccessful attemps to locate tenant. Collection Department recommends account to be written-off.			$ 720	720
Subtotal FDMT			0	0	720	720

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
MAY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
FISHING BOATS						
1. Two (2) invoices under $500	Various			208	2	210
Subtotal FISH			0	208	2	210
MISCELLANEOUS REVENUE						
1. Cable Car Charters	476178	To credit balance of interest charges for invoice #468767 after tenant made payment of $5,537.00 for audit fees per Tenant Services.		10,660		10,660
2. Cable Car Charters	477277	To waive interest charges related to underbilling per Legal Department.		1,000		1,000
Subtotal MIST			0	11,660	0	11,660
PARKING						
1. Chinniah, Reuben	476226	To write-off various invoices per Collection Department. It is not cost effective to pursue collection. Also judgement was entered on 6/23/93 in favor of defendant.			520	520
2. Ewenstein, Neal	477276	To write-off outstanding invoices because tenant filed for bankruptcy. Collection Department recommends account to be written-off.			736	736
3. Laughlin, Falbo, Levy & Moresi	477270	To credit invoices #476112 & #476111 because of erroneous billing by Tenant Services.		4,080		4,080
4. Thirteen (13) invoices under $500	Various			1,181		1,181
Subtotal PSTL			0	5,261	1,256	6,517
PENALTY CHARGE						
1. Thirteen (13) invoices under $500	Various			96	45	141
Subtotal PCHG			0	96	45	141
PERCENTAGE RENTALS						
1. Boondocks Restaurant	477278	To issue credit per terms of new lease L-11821		8,870		8,870
2. One (1) invoice under $500	476173			490		490
Subtotal PERC			0	9,360	0	9,360

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
MAY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
SERVICE CHARGE						
1. Seven (7) invoices under $500	Various			171	58	229
Subtotal SERV			0	171	58	229
SECURITY DEPOSITS						
1. Williams, Phillip & Associates	477290	To credit invoices #472627 & #474206 as tenant submitted a certificate of deposit for payment.		2,005		2,005
2. One (1) invoice under $500	476227			277		277
Subtotal PREP			0	2,282	0	2,282
Total for Tenant Service Division			$ 9,509	$ 48,178	$ 2,081	$ 59,768
TOTAL CREDIT MEMOS - MAY 1994			$ 9,509	$ 48,178	$ 2,081	$ 59,768

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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MINUTES OF THE MEETING
JUNE 28, 1994

1. **ROLL CALL**

Meeting was called to order by President Preston Cook at 4:10 p.m. The following Commissioners were present: Preston Cook, Anne Halsted, James Herman, Francis O'Neill and Frankie Lee.

2. **APPROVAL OF MINUTES** - June 14, 1994 Minutes

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the minutes of the June 14, 1994 meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Mr. Bouey, at the previous Commission meeting, reported that the Port was successful in its bond sale. The closing of the bond sale took place this morning. The Commissioners were also informed at the last meeting that the Port sold its bonds at a true interest cost of 5.75%. It was later discovered that a triple A bond sale conducted the same day sold at 5.5%, or only 25 basis points over our sale. At a meeting with the underwriters and legal counsel yesterday, staff was informed that since the day Port sold its bonds, no Muni issue has fully sold out.

B. Request the Mayor and the Board of Supervisors to place an Ordinance on the Ballot, amending certain sections of Proposition H (S.F. Admin. Code 61.2), to exempt from the Moratorium, City agency actions necessary to permit certain non-maritime land uses (not including hotels) as part of the restoration of buildings on the San Francisco Waterfront that are listed on the National Register of Historic Places (Ferry Building, Agricultural Building), and to permit a retail and food service use as part of a project to improve a public boat launch ramp and dock facility at Pier 52. (Resolution No. 94-97).

Mr. Bouey stated that Port staff requested the Waterfront Advisory Board (WFAB) to recommend to the Commission to place an ordinance on the November ballot that would exempt two projects from the Prop H non-maritime development moratorium namely: the Ferry Building renovation and the construction of the public boat launch. While the public boat launch itself is not contrary to the spirit of Prop H, staff wish to build an adjacent retail outlet and food service. By a vote of 20-0, the WFAB endorsed that the Commission recommend to the Mayor and the Board of Supervisors that an ordinance be placed on the November ballot exempting these two projects from the Prop H development moratorium. He concurred with their recommendation and requested that the Commission vote for the attached resolution.

ACTION: Commissioner Herman moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; resolution was adopted.

4. **CARGO SERVICES** - No Items Calendared

5. **TENANT SERVICES** - No Items Calendared

A. Approval of a Lease with Humm Baby Associates at Seawall Lot 329 (Bryant Street at the Embarcadero) (Resolution No. 94-60)

Mr. Bouey stated that this is roughly a 6,000+ sq. ft. triangle parcel sitting on the seawall lot adjacent to a condominium development. It was the Port's intent to develop some type of a park or open space on this parcel. The developer of the adjacent condominium project agreed to undertake an improvement for this parcel providing landscaping and open space where sitting would be available for those patronizing the restaurant or a cart outside selling coffee, donut, sandwiches, etc. In agreement for $951.36 per month rent and 7% of gross sales that takes place on the plaza, the operator agrees not only to construct but to maintain the park. The attached resolution approves that agreement; staff asks for Commission's approval of the resolution.

Before taking any action, Commissioner Cook advised his fellow Commissioners that the prospective tenant of the subject lease is also a business client of his employer in business matters unrelated to this lease. Although the Port lease is unrelated, he has been advised by the City Attorney's office that a conflict exists pursuant to Section 1090 of the California Government Code. Therefore, he must recuse himself from voting on the lease. Mr. Bouey informed Commissioner Cook that to recuse himself, a vote is needed from the other Commissioners. Commissioner Halsted moved to approve Commissioner Cook's recusal to vote on the lease. Commissioner O'Neill seconded the motion. All Commissioners in favor; Commissioner Cook was recused from this agenda item.

Commissioner Herman inquired if this lease went out to bid. Mr. Bouey stated that the amount of income to the Port is so small and the Port is in an unusual circumstance wherein the developer will make the improvements, maintain them and pay the Port rent. Also, included in the lease is a six-month quit notice clause. If a higher use should arise, Port reserves the right to buy back the improvements and RFP the property. Commissioner Halsted concurred with the Executive Director's analysis that this is a win-win situation and a good deal for the Port.

ACTION: Commissioner Herman moved approval; Commissioner Halsted seconded the motion. All four Commissioners in favor; resolution was adopted.

B. Approval of a Lease with the San Francisco Unified School District (SFUSD) at Pier 80 Terminal and at 501 Army Street. (Resolution No. 94-95)

As the Commissioners are aware with the recent closure of Pier 80, the Port intends to aggressively attract other maritime tenants. Nonetheless, some of the best shed space located on the Port property exists at this facility. Both the maritime and tenant services section have worked together to carve out sections of Pier 80 that can be leased and which will not conflict with any prospective shipping lines. The Port entered into a two-year lease with SFUSD for approximately 50,000 sq. ft. of shed space and 12,000 sq. ft. of office space for an annual rent of $225,000. The Port is granting a $37,000 rental credit to remove some asbestos, and for carpet and painting. Approximately 30 minutes ago, staff received a call from SFUSD asking for two changes: (1) that they be not required to pay a deposit because they are a City agency; in point of fact, staff quickly researched its files and found that the Port has a policy of not collecting deposits from other City agencies; and (2) to request cancellation of the six month quit notice clause. They feel their reason for coming to the Port is to stay at one place and not have to move again; hence, object to the six month quit clause. Since this is only a two-year lease, staff sees no problem removing that clause. The attached resolution should be amended that early termination of the lease be subject to mutual agreement of both parties. With the Commission's concurrence, the attached resolutions with suggested amendments, be approved.

Commissioner O'Neill asked if SFUSD has a cancellation right at the 13th month. Mr. Bouey reiterated that with the suggested amendment to the resolution, early termination would occur only if both parties agreed. He stated that given the lateness of the phone call from the SFUSD, this item would normally be put over but the school board apparently wants to vote on this issue.

ACTION: Commissioner Halsted, with amendments to the lease, moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolution with amendments outlined by the Executive Director, was adopted.

6. **ENGINEERING**

A. Professional Services Contract No. SA 3992026, "Ferry Building Earthquake Damage, Seismic Analysis and Repair Design," H.J. Degenkolb Structural Engineers, approval to execute Modification No. 13 to accommodate future Ferry Building improvements at a cost not to exceed $64,100. (Resolution No. 94-80)

Mr. Bouey stated that as the Commission is aware, H.J. Degenkolb, after the 1989 earthquake, was selected, in an RFP process, to be the Port's structural consultant. His work was separated into two stages; the first was to investigate and recommend repair work directly related to the damage as a result of the earthquake. The second was to consult and offer design work on hazard mitigation. At the time the stage two improvements were designed, the Port did not have a conceptual design for the renovation of the Ferry Building. At that time, the shearwalls were designed to the present configuration of the building. Subsequently, the Port, again through the RFP process, hired James Steuart Polshek Co. to do preliminary conceptual design. That firm recommended some modifications be made to the Degenkolb shearwalls. Since FEMA has already paid for the original design work, they will not pay for the new design work, which means that the Port will have to pay approximately $65,000 which has been put aside as earthquake repair funds. FEMA has indicated that while they won't pay for the second design, if the Port does the redesign, they most probably will pay for the shearwalls in the new locations. In the event that they would not, although at this point we were told they will, that additional work will be approximately $200,000. The downside would be if we don't do the redesign work, the additional construction work would be far in excess of $200,000. Staff asks for the Commission's concurrence of the attached resolution.

Commissioner Lee wanted to make sure that staff monitors the contractor's subcontracting goals as he understands it has committed to 30% MBE goals. Cliff Jarrard assured the Commissioner that we will monitor them. Mr. Bouey mentioned that the contractor was under no contractual obligation to subcontract to M/WBE firms. It was staff's initiative to request that the contractor sub 30% of the work to M/WBE's and the contractor has agreed. Staff will certainly monitor that Degenkolb live up to their commitment.

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; resolution was adopted.

B. Ferry Terminal Improvements, Stage Two, Presentation of Alternatives by Roma Design Group. Mr. Bouey related that not too long ago, the Commission approved a contract to look for alternatives at the North Ferry terminal improvements. Roma Design Group was selected to perform the work. Mr. Boris Dramov of Roma will explain the alternatives. This is a public information item. Absent any objection, staff will begin work in pursuing the recommended alternative.

Mr. Boris Dramov stated that it's a great pleasure to work on a project that truly enhances the maritime use on the waterfront and the potential to create a greater amount of activity on the bay. They've looked at the ferry terminal projections and the kind of ferry utilization that's been done. His team has had the opportunity to update all of the statistics that have been developed by the Metropolitan Commission. They are looking at significant increases in both ferry patronage and potential new routes in this area and offered their projections. He then described each of the alternatives.

Commissioner Halsted was delighted with the recommendation and with what's happening with the ferry system around the bay but ask that we should find other ways to support the development of that service at the Port because there is great potential with Treasure Island and the Port. She certainly thinks this is the right way to go.

Commissioner O'Neill commented that this is a great plan and thanked Port staff and Mr. Boris and his team for their work. He acknowledged the breakwater will be constructed but not the private boat tie-up and wondered how much it would cost and how long it would take as many citizens have inquired about it. Mr. Boris Dramov concurred that the private boat tie-up will not be constructed at this time. However, Mr. Battalio from Moffat & Nichol will provide the Commissioner the information he requested.

Commissioner Lee believed that it's a great plan. Commissioner Cook also commented that it's an exciting plan, was very impressed with the work done and believes it's a real winner.

Commissioner Halsted further commented that there was a concern about the signage to direct people in case of any emergency; as there was chaos and confusion during the 1989 earthquake. The design of the pedestrian elements is absolutely critical. Mr. Dramov stated that their graphic designer's, Debra Nichols Associates, intent is to begin signage at the Bart/Muni station and bring people into this area.

7. **PLANNING & DEVELOPMENT**

A. Approval of: (1) Contract with Environmental Science Associates (Resolution No. 94-98) and (2) Memorandum of Understanding with the Dept. of City Planning for professional services to prepare an Environmental Impact Report for the Waterfront Plan. (Resolution No. 94-99)

Mr. Bouey stated that in December the Commission established a procedure by which to conduct the EIR process; and that was to hire, for different parts of the EIR, a private consultant and for a second component part to use the Dept. of City Planning. Staff has proceeded along those instructions and conducted an RFP and presents today two resolutions: the first is to hire Environmental Sciences (private consultant) for approximately $395,000 and the other resolution is to approve an MOU between the Port and City Planning for work in the amount of $205,000. Parenthetically, at this time the budget for the EIR remains somewhat of a guess depending upon the amount of public comment and the amount of response necessary. He asks for Commission's concurrence to approve the attached resolution.

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolutions were adopted.

8. **INTERNAL SERVICES** - No Items Calendared

9. **CONSENT CALENDAR**

A. Refunds and Allowances Report - May 1994 (Resolution No. 94-96)

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolution was adopted.

10. **NEW BUSINESS**

A. Mr. Edward Van Egri, representing the Russian Hill Neighbors and Russian Hill Improvement Association, spoke about the sight seeing seaplane operation at Pier 39 which was approved by the Planning Commission. As a resident of Russian Hill, he was upset when the proposal to operate

sight seeing planes at Pier 39 was approved. The whole notion of a waterborne small airport at the foot of the telegraph hill is objected to by Telegraph Hill Dwellers, Russian Hill Neighbors, Russian Hill Improvements Association, SF Tomorrow and several representatives of Potrero Hill. The main focus of their objection is the fact that Planning staff stated that this operation could have no noticeable effect on the surrounding neighborhood and therefore, was exempt from the CA Environmental Quality Act. They felt that a sight seeing seaplane taking off at the foot of Telegraph Hill certainly has an effect on the neighborhood. He believed that Mr. Tibbits made a presentation regarding this matter at a previous meeting and has inquired about the financial gain of this operation to the Port. Mr. Van Egri was informed by Pier 39 that they could not make an estimate of what this could mean in dollars to the Port per month and per year. He asked staff if anyone has ascertained the financial benefits to the Port.

Mr. Bouey mentioned that Port was taken by surprise when Pier 39 went to the Planning Commission for approval of this operation. While Pier 39 has now discussed this operation with the Port, they have not sent anything in writing. Port Legal Counsel Ms. Van Nostern has sent Pier 39 a letter a couple of weeks ago requesting that they put their request in writing. Supervisor Bierman has also made the same inquiry regarding dollars and we've responded that at this point, we have no idea.

Commissioner Cook inquired whether Mr. Van Egri can hear the plane from his residence. He concurred that he can hear the noise when he is in his garden and can barely hear it when his windows are closed. They are concerned, if the seaplane tour is successful, that the number of flights per day will increase. Commissioner Cook asked whether there were any formal monitoring of the noise. Mr. Van Egri replied that when the sightseeing helicopter was conducting their tests, the readings were different from theirs. Commissioner Halsted inquired about the times of the sightseeing operation for staff to observe their operation. Mr. Van Egri replied that with weather permitting and tourist demands, he observes the operations. Commissioner Halsted wondered if staff can advise the Commission as when they can observe the operation. Mr. Bouey stated that if Mr. Van Egri's assertion that Pier 39 is actually operating this service from Pier 39, it's news to Port staff. It's his understanding that there are seaplane tours but they originate from Sausalito and flies the same path they would fly if they took off from Pier 39. Regarding the Commissioner's request, it would not be a problem in putting together a demonstration. Commissioner Cook stated that this issue has not been concluded by the Commission or by the Port. There are still some issues with Pier 39 and the Port is still looking at some options at this point.

B. Commissioner O'Neill congratulated staff on the research done and the excellent letter to Mr. & Mrs. Eckels about the Ferryboat Santa Rosa. The letter reflects a positive flavor and attitude in dealing with the public. With that note, he mentioned that on Thursday, there is going to be a march by the citizens of San Francisco and the bay area, co-sponsored by the City of San Francisco, commemorating the unfortunate massacre at 101 California Street. He finds it difficult to not allow a banner be placed on the premises by people sponsoring the march and finds it sad that the Port of San Francisco cannot encourage these kinds of things.

C. Mr. Bouey reminded the Commission, Port staff, and members of the public present that the 4th of July fireworks will take place opposite Fisherman's Wharf and Pier 39. He believes it will be a great success. Staff has spent a lot of time working on issues such as security and clean-up. If it is successful, perhaps next year we'll even see the fireworks display come all the way literally from the Golden Gate Bridge to the Bay Bridge and encouraged everyone to attend the fireworks.

D. Commissioner Herman stated that his term has expired May 1st. He's awaiting the Mayor's appointment of his replacement and he has enjoyed the time he served under three Mayors. He is engaged in an evaluation of the water taxi service that has created some problems for two of our tenants and would like to make a presentation at the next meeting as a concerned citizen, not as a

Commissioner. Mr. Bouey stated that if the Commissioner desires to place a special item, staff is more than happy to calendar it; otherwise, he can address it under new business as a private citizen.

11. **EXECUTIVE SESSION**

At 5:07 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matters:

A. Conference with Legal Counsel - Anticipated Litigation

1) Motion that Port Commission meet in closed session to confer with Counsel to consider initiation of litigation pursuant to subdivision (c) of California Government Code Section 54956.9 (1 case). **THIS MATTER HAS BEEN TAKEN OFF CALENDAR**

2) Motion that Port Commission meet in closed session to confer with Counsel to discuss significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9 (2 cases) based on government claims against the Port by Embarcadero Triangle Associates and Office Pavilion (OP Contract, Inc.)

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivisions (c) and (b).

B. Conference with Real Property Negotiator

Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. This is specifically authorized under California Government Code Section 54956.8.

C. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

Commissioners Cook, Halsted, Herman, O'Neill, and Lee returned from Executive Session and convened in public session at 5:53 p.m.

ACTION: Commissioner Halsted moved approval to not disclose information discussed at the Executive Session; Commissioner Lee seconded the motion. All Commissioners in favor.

Meeting was adjourned.

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REGULAR MEETING
4:00 p.m., JULY 12, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - June 28, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

4. **CARGO SERVICES**

5. **TENANT SERVICES**

   A. Approval of a Memorandum of Understanding with the San Francisco Municipal Railway for Use of Shop Space at Pier 80 Army Street Terminal. (Resolution No. 94-94)

   B. Adoption of Standard Form Landing Rights License for Ferries at Pier 1/2 Terminal and Delegation of Authority to the Executive Director to Approve and Execute such Licenses. (Resolution No. 94-89)

6. **ENGINEERING**

7. **PLANNING & DEVELOPMENT**

   A. Approval to enter into a professional services contract with Public Affairs Management for environmental consulting services for the Ferry Building Renovation Project. (Resolution No. 94-88)

8. **INTERNAL SERVICES**

9. **CONSENT CALENDAR**

   A. Approval of a Lease with Experimental Workshop, Inc. at Pier 46B (Resolution No. 94-101)

10. **NEW BUSINESS**

11. **EXECUTIVE SESSION**

    A. Conference with Real Property Negotiator

       Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
       Person Negotiating: Port representative: James Lazarus, Director-Special Projects
       AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

B. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero station located at Market and Spear Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American sign language interpreters
- A sound enhancement system
- Minutes of the meeting in alternative formats
- The use of a reader during the meeting
- Large print of copy of an agenda

To allow individuals with environmental illness or multiple chemical sensitivity to attend the meeting, individuals are requested to refrain from wearing perfume or other scented products. Please help the City to accommodate these individuals.

PORT OF SAN FRANCISCO

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MEMORANDUM

July 12, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of Memorandum of Understanding with San Francisco Municipal Railway for Space at Pier 80 Army Street Terminal.

DIRECTOR'S RECOMMENDATION: APPROVE MEMORANDUM OF UNDERSTANDING WITH SAN FRANCISCO MUNICIPAL RAILWAY

The San Francisco Municipal Railway ("MUNI") currently occupies a maintenance facility at 24th and Utah Streets on property owned by the San Francisco Department of Parking and Traffic ("DPT"). DPT intends to develop the property as a multi-level parking structure serving San Francisco General Hospital, and MUNI must therefore immediately vacate the facility. Muni plans to develop a new plant to replace the 24th and Utah Streets facility, but requires temporary space until the new plant is completed. With the temporary closure of the Pier 80 Army Street Terminal, these interim space needs of MUNI can be met at Pier 80 and thereby generate short term revenue for the Port, without preventing use of the terminal for container cargo handling.

Proposed Agreement

A Memorandum of Understanding ("MOU") has been negotiated by Port staff and MUNI for the 39,000 square feet freestanding Gear and Maintenance Shop and 28,950 square feet of paved land at the Pier 80 Army Street Terminal. The proposed terms and conditions of this MOU are outlined on the next page. This proposed MOU has been reviewed with Cargo Services to ensure that this occupancy will not jeopardize use of the Pier 80 Army Street Terminal as a container cargo facility.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

1. **Premises** - 39,000 square feet of building area (including 3,220 square feet of office and shop space, 26,780 square feet of shed space, and 9,000 square feet of covered "porch" space) and 28,950 square feet of paved yard area.

2. **Use** - Cable car and non-revenue vehicle maintenance and storage.

3. **Term** - 12 months commencing July 1, 1994

4. **Rent** -

	Square Feet	Monthly Rent	Rent per Square Foot
Office and Shop Space	3,220	$ 1,610.00	$.50
Shed Space	26,780	$ 6,695.00	$.25
Covered "Porch" Space	9,000	$ 1,350.00	$.15
Sub-Total	39,000	$ 9,655.00	
Paved Open Space	28,950	$ 2,895.00	$.10
Total	67,950	$12,550.00	

Annual Rent - $150,600.00

In the event MUNI holds over on a month-to-month basis, the rent shall be increased to reflect increases in the Consumer Price Index.

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-94

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for a Memorandum of Understanding ("MOU") with the Municipal Railway, as Tenant, the terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on July 12, 1994; therefore be it

RESOLVED, that the Port Commission hereby approves the business terms of that certain MOU, which terms are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on July 12, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 12, 1994.

_____
Secretary

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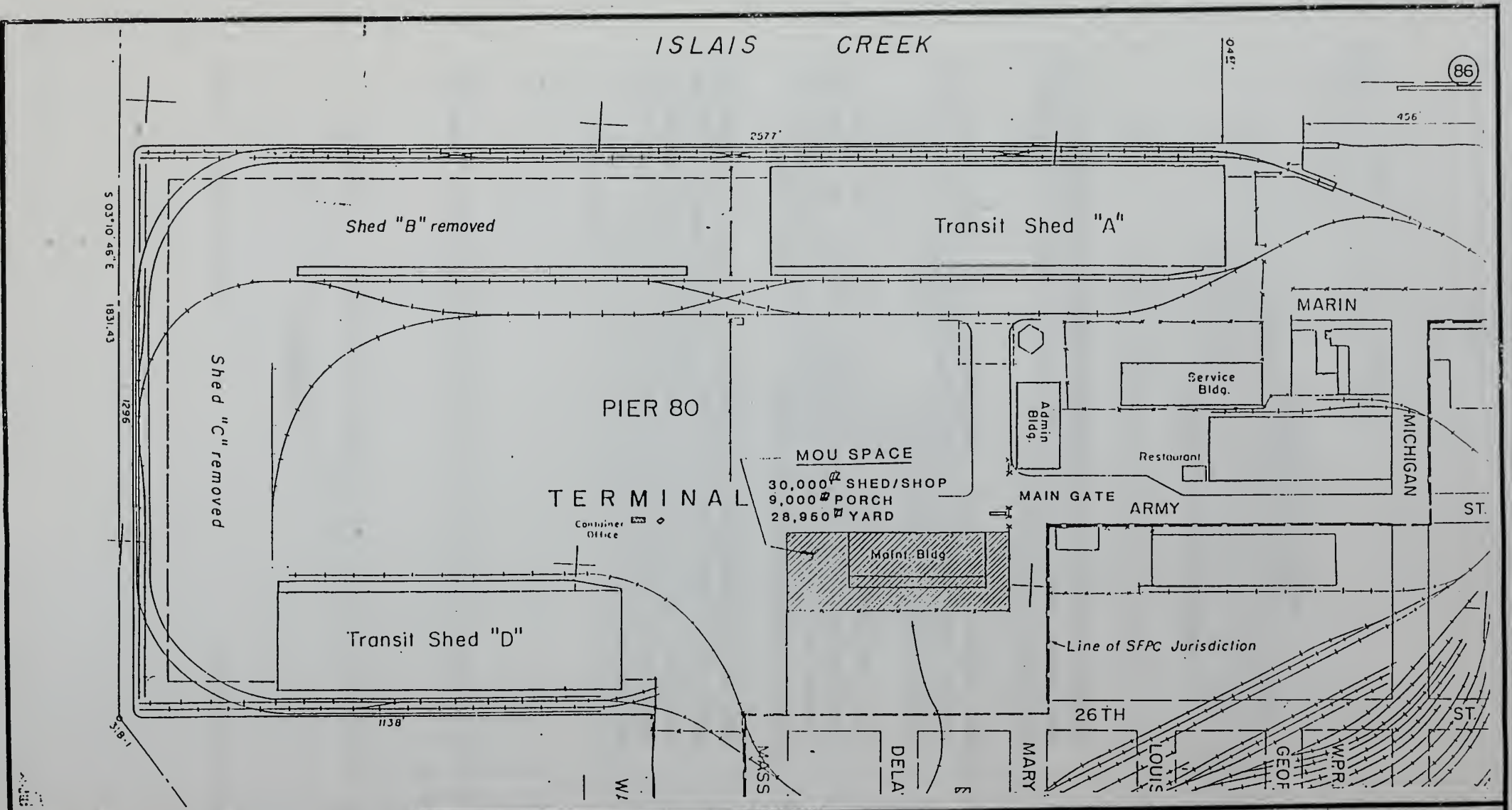

APPROVED BY SAN FRANCISCO PORT COMMISSION DATE . _____ _____ CHIEF HARBOR ENGINEER	SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	SAN FRANCISCO MUNICIPAL RAILWAY	DESIGNED BY: / CHECKED BY: DRAWN BY: / DATE: CONTRACT NO. / SCALE: DRAWING NO. / SHEET NO. OF SHEETS

PORT OF SAN FRANCISCO

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Cable SFPORTCOMM
Writer

MEMORANDUM

July 12, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Adoption of Standard Form Landing Rights License for Ferries at Pier 1/2 and Delegation of Authority to the Executive Director to Approve and Execute Such Licenses.

DIRECTOR'S RECOMMENDATION: ADOPT STANDARD FORM LANDING RIGHTS LICENSE AND AUTHORIZE THE EXECUTIVE DIRECTOR TO APPROVE AND EXECUTE SUCH LICENSES WITH QUALIFYING FERRY SERVICE PROVIDERS.

In April 1993 the Port completed construction of the North Ferry Terminal at Pier 1/2 ("Pier 1/2"), and the Commission subsequently approved Landing Rights Licenses for three operators providing service to Pier 1/2. These three licenses utilize the same standard form. This standard form provides for non-exclusive use of the terminal, and pursuant to the grant for the construction of the facility, the standard form sets a fee schedule which produces a break even operation. Any new ferry operator desiring to land at Pier 1/2 is required to enter into the same standard form agreement, a copy of which is attached, but currently each such license must be approved by the Commission.

It is proposed that the Port Commission adopt the attached standard form Landing Rights License and authorize the Executive Director, without further Commission action, to execute licenses with any applicant who (1) provides common carrier ferry service to Pier 1/2, (2) complies with all applicable internal and external permitting requirements, (3) meets the Port's requirements for financial qualification, and (4) signs the standard Landing Rights License form with no changes except for minor changes approved by the City Attorney which do not significantly alter the Port's responsibilities or liabilities.

THIS PRINT COVERS CALENDAR ITEM NO. 5B

The basic provisions of the standard form Landing Rights License for Pier 1/2 are as follows:

1. Use. The License provides for scheduled landings of common carrier ferries and for casual landings by such carriers.

2. Term. The License provides for an initial term of one year, with one-year extensions under the same terms and conditions, except that the landing fees may be adjusted to reflect changes in ferry schedules and operating costs.

3. Fees. The License sets forth a fee structure which provides for the Port to operate Pier 1/2 on a break-even basis. The fee schedule for common carrier ferry landings is calculated annually, based on projected operating costs and numbers of scheduled landings (a copy of the 1994-95 Landing Fee Schedule is attached). Rates are set on a sliding scale, with the cost per landing decreasing with additional daily landings, in order to encourage increased use of the facility. The Licensee pays a monthly fee based on its landing schedule at the commencement of the License. Upon no less than 15 days notice, the monthly fee may be adjusted upwards or downwards to reflect changes in the Licensee's service schedule.

   The fee schedule for casual landing is based on the following vessel capacities.

Capacity	Fee per Landing
Up to 25 passengers	$ 50.00
26 - 100 passengers	$ 75.00
Over 100 passengers	$125.00

   Licensees are also required to pay a 7% percentage fee on food, beverage and all other sales except ferry services fares, and this percentage fee is offset by minimum fees paid.

4. Assignment. The License is not assignable.

5. Operational Requirements and Restrictions. The License sets forth operating standards and procedures, includes the following:

   a. The Licensee may not take on fuel, discharge waste or repair vessels at Pier 1/2.
   b. The Licensee is responsible for any damage it causes to Pier 1/2.
   c. The License requires mutual cooperation among licensees, and establishes an advisory committee consisting of representatives from the Port and each licensee.

At this time, the City of Vallejo, which has been served under a license issued to Red & White Fleet, desires to have its own license. In addition, an application is pending from the City of Benicia for new service. Adoption of the accompanying resolution will allow the Executive Director to execute standard form licenses with these and other new services without further Commission action.

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-89

WHEREAS, the Port of San Francisco operates provides a public facility at Pier 1/2 (the North Ferry Terminal) to accommodate ferryboat services between San Francisco and various other Bay Area cities; and

WHEREAS, that certain form of Landing Rights License for Ferry Service Landing Slots and Pier 1/2 (the Landing Rights License) sets forth the terms and conditions governing use of said North Ferry Terminal; now, therefore be it

RESOLVED, that the San Francisco Port Commission hereby adopts as its standard form agreement for ferries at the North Ferry Terminal said Landing Rights License dated July 1, 1994; and be it further

RESOLVED, that the San Francisco Port Commission hereby delegates to the Executive Director the authority to approve and execute Landing Rights Licenses on behalf of the Port, provided the Licensee (1) provides common carrier ferry service to Pier 1/2, (2) complies with all applicable internal and external permitting requirements (3) meets the Port's financial requirements, and (4) signs the standard Landing Rights License form with no changes except for minor changes approved by the City Attorney which do not significantly alter the Port's responsibilities and liabilities.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 12, 1994

_____
Secretary

I:\users\tenant\wp51\agendas\ferry\KB\cp\July 5, 1994

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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Telex 275940 PSF UR
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Cable SFPORTCOMM
Writer

MEMORANDUM

July 12, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval to enter into a professional services contract with Public Affairs Management for environmental consulting services for the Ferry Building Renovation Project.

DIRECTOR'S RECOMMENDATION: Staff recommends that the Commission authorize the Executive Director to execute a professional services contract with Public Affairs Management for environmental consulting services, Ferry Building Renovation Project in an amount not to exceed $249,798.

Project Description
The historic renovation of the Ferry Building has been a long time goal of the City of San Francisco and the San Francisco Port Commission. The Port was recently awarded a $1.0 million grant from the Transportation Enhancement Activities (TEA) Program of ISTEA (the Intermodal Surface Transportation Efficiency Act of 1991) to fund preliminary design, engineering and environmental review for the project.

On February 8, 1994 the Port Commission approved Resolution No. 94-23 which authorized the staff to issue a Request For Proposals (RFP) for environmental consulting services for the historic renovation of the Ferry Building, and to enter into negotiations with the highest ranked consultant identified through the RFP process.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

The RFP was issued on April 18, 1994 and the Port undertook good faith efforts to ensure that disadvantaged minority and woman-owned businesses were given an opportunity to submit a proposal or participate on a team as a subconsultant. The Port received four proposals by the submission due date of May 18, 1994, one of which was submitted by a certified Disadvantaged Business Enterprise (DBE). The consulting teams that submitted proposals are shown on attachment A. All four of the teams that submitted a proposal were invited to the oral interview.

The consultant team led by Public Affairs Management received the highest ranking following the oral interview process. The team includes a number of subconsultants; attachment A presents a summary of the entire consulting team. The team met the Disadvantaged Business Enterprise (DBE) participation goal of 32% for this contract.

In their original proposal, Public Affairs Management submitted a scope of work for an "Initial Study/Environmental Assessment", which was the preliminary recommendation by Caltrans and the Department of City Planning regarding the required level of analysis for this project. The original budget estimate for this work was $165,583.

The original proposal did not include a budget estimate for preparation of responses to comments. A preliminary estimate of the cost of this aspect of the work has now been made based on an assumptions about the extent of the public comments, and has been included in a revised budget estimate. When the full extent of the public comments are known, (expected to be early 1995) the project scope will be reviewed, and Port Commission approval would be sought in the event that additional funds are necessary at that time.

Additionally, in the event that Caltrans or the Office of Environmental Review (OER) requires the level of analysis to be upgraded to a full Environmental Impact Report/Environmental Impact Statement (EIR/EIS), Public Affairs Management will undertake an optional task to complete this work, which was similarly not included in their original budget estimate, but has subsequently been estimated. Thus, the contract that has been negotiated includes estimated budget and scope provisions for the upgraded level of documentation, should it become necessary. This optional task requires prior written authorization from the Port.

The attached professional services contract with Public Affairs Management is for an amount not to exceed $249,798. The scope of services includes all tasks necessary to satisfy local, state and federal requirements including preparation of an initial study, Draft and Final Environmental Documents and responses to comments.

The contract will be paid for by the TEA grant, and the 11.47% local match requirement will be met with design work on the Downtown Ferry Terminal Project, which is being funded from State Proposition 116 funds.

Prepared by: Sharon Lee Polledri

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-88

WHEREAS, the Port Commission approved Resolution No. 94-23 on February 8, 1994 which authorized the staff to issue a Request for Proposals ("RFP") for a consultant or team of consultants to conduct environmental consulting services for the renovation of the Ferry Building, and also authorized staff to enter into negotiations with the highest ranked consultant identified through the RFP process; and

WHEREAS, the RFP was issued on April 18, 1994, and the Port undertook all good faith efforts to provide disadvantaged minority and woman-owned businesses with an opportunity to submit a proposal or participate on a team as a subconsultant; and

WHEREAS, the Port received four proposals by the submission due date of May 18, 1994, one of which was submitted by a Disadvantaged Business Enterprise (DBE), and all of which met the DBE goal of 32% for this contract; and

WHEREAS, a selection panel comprised of Port and City staff experienced in environmental review evaluated the written proposals according to the criteria that were outlined in the RFP, and conducted an oral interview with the four teams that submitted proposals; and

WHEREAS, the team led by Public Affairs Management received the highest score following the oral interview by the selection panel; and

WHEREAS, the Port staff entered into contract negotiations with Public Affairs Management and negotiated the attached professional services contract; now, therefore be it

RESOLVED, that the Port Commission approves the attached professional services contract with Public Affairs Management to conduct environmental consulting services for the renovation of the Ferry Building, for an amount not to exceed $249,798.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 12, 1994.

_____
Secretary

SLP/fj/I:AGD7/12

Ferry Building Historic Renovation

Environmental Consulting Services

Proposals Received

Prime Consultant
During Associates

Subconsultants
Page and Turnbull, Inc. - Historic Architecture
Geo/Resource Consultants, Inc. - Hazardous Waste/Geology (DBE)
Wesco - Water Resource/Environmental Sciences
Dowling Associates - Transportation Engineering (DBE)
Gabriel/Roche Associates - Relocation/ marine transportation (DBE)
Archeo-Tec - Archeological Consulting
Square One Film + Video - Visual Simulations
Morthhole and Zeppetello - Environmental Law

Budget Amount: $154,900

DBE Participation: 33%

Prime Consultant
EIP Associates

Subconsultants
The Jefferson Company - Land Use/Socioeconomic Planning (DBE)
Carey & Company - Historic Architecture (DBE)
Wilbur Smith Associates - Transportation Engineering
Pittman and Hames Associates - Transportation Planning (DBE)
Tycadd Corporation - Computer Graphics (DBE)
Raine Associates, Inc. - Economic Development/Waterfront Planning

Budget Amount: $218,935

DBE Participation: 34%

Ferry Building Historic Renovation

Environmental Consulting Services

Proposals Received

Prime Consultant
Environmental Science Associates

Subconsultants
Carey & Company - Historic Architecture (DBE)
Pittman and Hames Associates - Transportation Planning (DBE)
Mara Feeney & Associates - Socioeconomic Evaluation (DBE)

Budget Amount: $109,426

DBE Participation: 33%

Prime Consultant
Public Affairs Management (DBE)

Subconsultants
Wilbur Smith Associates - Transportation Planning
AGS, Inc. - Hazardous Waste/Hydraulic Study (DBE)
Ward Hill - Historic Architecture
Kotas/Pantaleoni - Historic Architecture (DBE)
Wesco - Air Quality/Water Quality
Pittman & Hames Associates - Transportation Planning (DBE)
Holman & Associates - Archeological Consulting

Budget Amount: $165,583

DBE Participation: 56% (including Public Affairs Management as prime)

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

July 12, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. James R. Herman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of Lease with Experimental Workshop, Inc. at Pier 46B

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH EXPERIMENTAL WORKSHOP, INC.

Staff has negotiated a three year renewal lease with Experimental Workshop, Inc. for 10,870 square feet of shed space on the upper level of Pier 46B. This lease will convert a long term Port licensee to a Port lessee under the Port's standard lease and at increased rents.

Commission approval is required to provide for a one year phasing in of monthly rent from the current $.18 per square foot to $.35 per square foot (which is the minimum allowed by the pre-approved leased parameters). The proposed lease will produce an average monthly rent of at least $.32 per square foot over the three year lease term. The rent during the second and third years of the term will be at or over the Port's minimum parameters. There are no rent credits or other tenant allowances.

The proposed rent represents an increase over the existing rent of $12,291.00 in the first year and $22,079.00 in the second year. The rent during the third year of the term will be increased to reflect changes in the CPI.

THIS PRINT COVERS CALENDAR ITEM NO. 9A

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

I:\users\tenant\wp51\agendas\expermnt.wrk\KB\cp\July 1, 1994

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-101

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

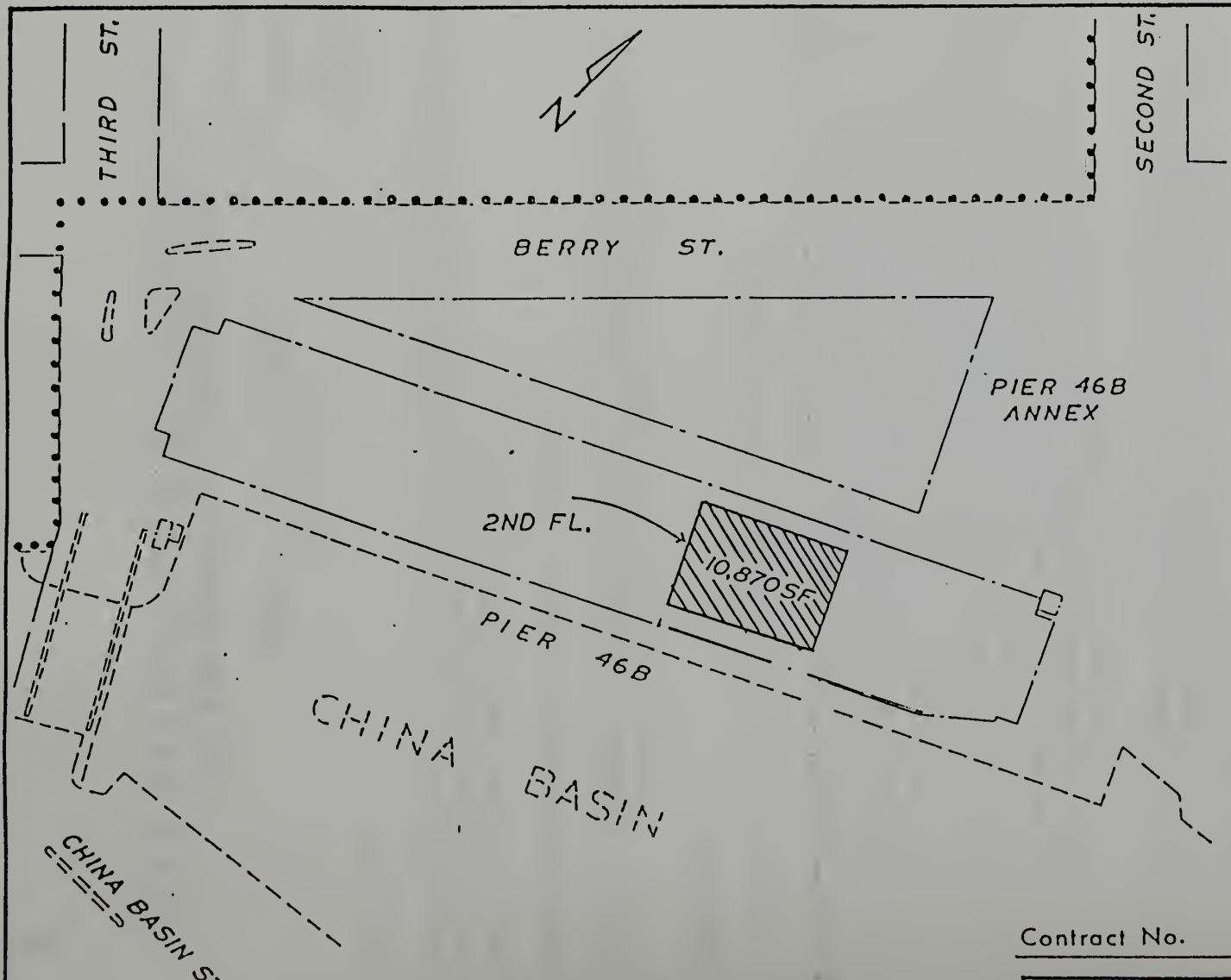
WHEREAS, Port Commission approval is being sought for a renewal lease with Experimental Workshop, Inc., as Tenant; therefore be it

RESOLVED, that the Port Commission hereby approves the business terms of that certain lease which are set forth in the Memorandum of Agenda Item 9A for the Commission meeting on July 12, 1994 and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 12, 1994.

_____
Secretary

l:\users\tenant\wp51\agendas\expermnt.wrk\KB\cp\July 1, 1994



Contract No.

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE

CHIEF ENGINEER

NO.	DATE	DESCRIPTION

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

EXPERIMENTAL WORKSHOP

IN CHARGE OF	CHECKED BY
MADE BY	DATE
TRACED BY	SCALE

DRAWING NO. 1460

SHEET NO. 3 OF SHEETS

SAN FRANCISCO PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

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MINUTES OF THE MEETING
JULY 12, 1994

1. **ROLL CALL**

The meeting was called to order by Vice President Anne Halsted at 4:07 p.m. and announced that Commissioner Cook would be present shortly. The following Commissioners were present: Preston Cook, Anne Halsted, Frank O'Neill and Frankie Lee.

2. **APPROVAL OF MINUTES** - June 28, 1994 Minutes

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; minutes of the June 28, 1994 meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report: Mr. Bouey reported the following:

1) The 4th of July fireworks celebration went off without nary a hitch, and was well received by both the public and the businesses in the area surrounding the celebration. Staff's understanding was that business was a little slow early in the day, however, picked up later in the afternoon and in the evening. The clean-up of the area took until 5 o'clock in the morning. Four arrests were made during the celebration: 2 for drunken disorderly and 2 for fist cuffs. Generally, the atmosphere was described as much more family-oriented than in past years. We intend to work with the Chronicle and others to expand the celebration, with the goal of a firework celebration bridge to bridge. In the next couple of weeks, Mr. Jim Lazarus will conduct a post-mortem meeting to review each City department's role in an effort to improve upon this year's performance.

2) This past Thursday, staff kicked off the brokerage cooperation program in which the Port will, for the first time, pay commissions to brokers. Since Thursday, the Port has had 31 inquiries and 8 appointments to show the property. While no deals are in the bag yet, so far the outlook is positive.

Commissioner O'Neill mentioned that he was in attendance at the 4th of July celebration and complimented the police and everyone involved as it was a great show.

4. **CARGO SERVICES** - No Items Calendared

5. **TENANT SERVICES**

A. <u>Approval of a Memorandum of Understanding with the San Francisco Municipal Railway for Use of Shop Space at Pier 80 Army Street Terminal. (Resolution No. 94-94)</u>

Mr. Bouey stated that the Municipal Railway needs a temporary site while they construct a new maintenance facility. This agenda calls for a one year term to lease space at Pier 80. He reiterated that renting this space will not conflict with any maritime-use on this property.

Commissioner O'Neill wanted to make sure that, with preventing the use of the terminal for maritime cargo, this will not present a conflict if the Port gets a dedicated user for that space. Mr. Bouey responded that he did not believe it would. Commissioner Cook stated that it's a good deal for both the Port and the Municipal Railway.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; resolution was adopted.

B. Adoption of Standard Form Landing Rights License for Ferries at Pier 1/2 Terminal and Delegation of Authority to the Executive Director to Approve and Execute such Licenses. (Resolution No. 94-89)

Mr. Bouey mentioned that the landing rights currently for Pier 1/2 are non-exclusive and are set forth in the standard form which the Commission has executed on three previous occasions. Staff proposes that these licenses be treated the same as the leasing program the Commission adopted a few months ago, i.e. as long as the terms of the license are within the parameters adopted by the Commission, that the Executive Director may execute those leases. Currently, staff is in discussion with two cities for a license for ferry service and that in the future, there may be other entities that may wish to procure similar licenses. If the licenses fall outside the standard format, staff will then seek the Commission's approval. Moreover, on a yearly basis, staff will return to the Commission with a new standard license parameters. Staff asks for concurrence with the resolution.

Commissioner Halsted requested an information report whenever a new license is executed. Mr. Bouey indicated that each time we sign a new ferry terminal lease, a report will be sent to the Commission.

Commissioner O'Neill inquired about the possible water taxi service to the Airport. Mr. Bouey stated that it's a long-term process, but at the moment it's moving ahead, albeit slowly. He fully envisions that in the next few years, we will have water taxi service to the Airport.

Commissioner Cook inquired about how the break-even basis fees were established. Mr. Bouey's understanding is that the Port received a grant to build these facilities. Contained within the grant covenant was an agreement to operate the facilities on a break-even basis, in the best interest of the public in terms of encouraging public transportation. He mentioned that the rates are set once a year. Commissioner Halsted inquired if this is distinct from excursion and Mr. Bouey concurred. Commissioner Cook inquired whether the break-even fee includes the normal wear-and-tear and depreciation. As Mr. Bouey was not involved in the last setting of the fees, he's under the impression that the wear-and-tear and depreciation are included; however, if they were not, he assured the Commission that they will be included next time.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolution was adopted.

6. **ENGINEERING** - No Items Calendared

7. **PLANNING & DEVELOPMENT**

A. Approval to enter into a professional services contract with Public Affairs Management for environmental consulting services for the Ferry Building Renovation Project. (Resolution No. 94-88)

Mr. Bouey stated that the Commission, in February, authorized an RFP for the Ferry Building EIR; that process has now been concluded. Public Affairs Management is a DBE (Disadvantaged Business Enterprise) and also a certified WBE (Woman-Owned Business Enterprise). The amount of money designated for this EIR is less than usual for a project of this type because an EIR was previously done for the Ferry Building renovation and it's staff's feeling that a number of facets of that EIR, particularly those having to do with historical significance of the building, are still valid. Staff asks for Commission's concurrence with the resolution.

Commissioner O'Neill requested an explanation for the discrepancy between the Public Affairs Management's budget amount of $165,583 as shown on Attachment A, page 2 of 2 and the amount ($249,798) the Commission is being asked to approve. Mr. Bouey stated that the $165,583 is for the actual work on the EIR and that the second amount is for the public response portion. A building of this significance may generate more public input than more ordinary buildings. Hence, depending on the public's input, this amount may be overstated or understated.

Commissioner Lee inquired whether the budget amount is part of the selection consideration or set aside on a sealed envelope. Mr. Bouey stated that under our new policy, staff receives two envelopes: (1) the response to the RFP by which we judge the proposal and (2) the dollar amount used as a basis for which to negotiate the contract amount. Ms. Polledri, Director of Planning & Development mentioned that the contract bid was not a consideration for the selection process. She also introduced the following representatives of Public Affairs Management: Kay Wilson, President of Public Affairs Management and Scott Steinwert, Project Manager. Commissioner O'Neill inquired about the time schedule of the contract. Mr. Paul Osmundson responded that the completion of the contract will depend on the level of review. He anticipates that it would take ten months to complete the project if a full EIR/EIS review is not essential; however, it could take through October 1995 if a full EIR/EIS review is required. Staff and consultant will do everything they can to expedite the contract.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolution was adopted.

8. **INTERNAL SERVICES** - No Items Calendared

9. **CONSENT CALENDAR**

A. Approval of a Lease with Experimental Workshop, Inc. at Pier 46B (Resolution No. 94-101)

Mr. Bouey stated that the current tenant rents space at below market rate and staff is, over time, in bringing the rate to market. Under the Commission's policy, leases are to be rented at market; however, since this is an existing tenant, it's fair and equitable to bring the rent to market over time.

Commissioner Halsted asked how long the tenant has been on the property, the type of business they provide and whether they had been given a prior lease. Ms. Diane Artz from Tenant Services responded that Experimental Workshop is an art studio and has been a tenant since 1978 and has been on a 30-day license. Commissioner Halsted asked if there are any other outstanding tenancies at the pier. Ms. Artz stated that there are five or six other tenancies - art studios, maritime tenants and various industrial users.

Commissioner O'Neill asked for clarification of the amount of rent the tenant is currently paying. Mr. Kirk Bennett, Acting Director of Tenant Services, clarified that the tenant is currently paying 18 cents per sq. ft. The $12,291 amount represents the increase in the first year over the existing rent.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; resolution was adopted.

10. **NEW BUSINESS**

Ms. Virginia Conway has read the proposed charter reform and asked the Commission whether they will address the charter as it pertains to the Port as there are some controversial items such as the labor contracts. She inquired about the Commission's disposition and how it will affect the Port. Mr. Bouey stated that with regard to public comment, the Board of Supervisors will hold a public hearing. With regard to how the revised sections will affect the Port, he asked that Mr. Jim Lazarus who is working very closely with the Mayor's office and Supervisor Kaufman, to draft a letter to the Commission outlining the changes and their significance. Commissioner Cook mentioned that Ms. Conway will be informed of the Commission's action.

11. **EXECUTIVE SESSION**

At 4:30 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matter:

A. Conference with Real Property Negotiator

Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

B. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

Commissioners Cook, Halsted, O'Neill and Lee returned from Executive Session and convened in public session at 5:00 p.m.

ACTION: Commissioner Halsted moved approval to not disclose information discussed at the Executive Session; Commissioner O'Neill seconded the motion. All Commissioners in favor.

Meeting was adjourned.

SAN FRANCISCO
PORT COMMISSION

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♦ SPECIAL MEETING ♦
1:30 P.M., JULY 26, 1994

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - July 12, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Resolution supporting passage of proposed federal legislation (HR 3821 and HR 3822) introduced by Representative Jolene Unsoeld (Washington), to facilitate U.S. shipbuilding, coastal cruises, employment opportunities, and increased tourism in the U.S. Passenger Cruise Industry. (Resolution No. 94-36)

4. **TENANT & MARITIME SERVICES**

   A. Approve Issuance of Curbspace Use Permit at Fisherman's Wharf to Waterfront Horse Carriage Service (Resolution No. 94-102)

   B. Approval of Modification to Standard Form Lease with the San Francisco Unified School District for Space at Pier 80 (Resolution No. 94-106)

5. **FACILITIES & OPERATIONS**

   A. Contract 2586, "San Francisco Ferry Building Seismic Repair, Stage I," Authorization to Issue Contact Modification No. 6 for $188,974 to Barnes/Lem a Joint Venture, to Provide Coating for the Front of the Ferry Building (Resolution No. 94-100)

6. **PLANNING & DEVELOPMENT**

7. **ADMINISTRATION**

8. **CONSENT CALENDAR**

   A. Approval of Harbor Code Amendment regarding Restrictions on Use of Curbspace. (Resolution No. 94-104)

   B. Approval of Refunds and Allowances for the period ending June 30, 1994 (Resolution No. 94-105)

9. **NEW BUSINESS**

10. **EXECUTIVE SESSION**

A. An executive session has been calendared for the July 26, 1994 Special Meeting of the Port Commission to discuss the status of the following litigation case: Kraal v. CCSF, Superior Court No. 943-927

The City Attorney's office is of the opinion that based on existing facts and circumstances discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

B. Conference with Real Property Negotiator
Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

C. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

11. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero station located at Market and Spear Streets; closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets; accessible MUNI lines serving the Ferry Building are the 9, 31, 32 & 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American sign language interpreters
- A sound enhancement system
- Minutes of the meeting in alternative formats
- The use of a reader during the meeting
- Large print of copy of an agenda

To allow individuals with environmental illness or multiple chemical sensitivity to attend the meeting, individuals are requested to refrain from wearing perfume or other scented products. Please help the City to accommodate these individuals.

PORT OF SAN FRANCISCO

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MEMORANDUM

July 26, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Resolution supporting passage of proposed federal legislation (HR 3821 and HR 3822) introduced by Representative Jolene Unsoeld (Washington), to facilitate U.S. Shipbuilding, coastal cruises, employment opportunities, and tourism in the U.S. Passenger Cruise industry.

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE EXECUTIVE DIRECTOR AND STAFF TO UNDERTAKE ALL REASONABLE EFFORTS IN SUPPORT OF THE PASSENGER VESSEL DEVELOPMENT ACT (H.R. 3821) AND THE PASSENGER VESSEL DEVELOPMENT TAX ACT (H.R. 3822) .

The cruise ship industry is booming - it has grown Nearly 10% on average every year since 1980. And while 85% of all cruise ship passengers in the world are U.S. citizens, the industry has been almost entirely foreign-owned and operated for more than forty years. To correct this disparity, Representative Jolene Unsoeld (D-Seattle) introduced legislation last year to stimulate development of a U.S.-flag cruise ship fleet and clear the way for the active carrying of passengers for hire between U.S. ports. On April 13, 1994, this legislation cleared the Merchant Marine and Fisheries Subcommittee, advancing further than any previous attempt to revive the U.S. cruise ship industry. More than 50 letters and resolutions were presented to the subcommittee in support of these bills, including the AAPA; Seafarers International Union; Masters, Mates, & Pilots; and MEBA. Locally, the San Francisco Chamber of Commerce and the S.F. Hotel Association submitted letters in support as well.

THIS PRINT COVERS CALENDAR ITEM NO. 3B

Legislative Highlights

Though more than 125 ocean going passenger ships ply the U.S. waterways, only two ships with passenger capacities in excess of 300 are U.S.-built. These ships are each more than 40 years old, and are deployed in the Hawaiian Inter-island trade due to limitations in place under the Passenger Act of 1886. Under Unsoeld's bill, foreign ships would be granted interim rights to operate *between* U.S. ports on the condition that they contract for a U.S.-built replacement vessel within one year. Construction of the replacement vessel would need to begin prior to the end of the second year of interim operation.

In order to qualify for interim operation, a vessel must have had all repair work performed in a U.S. shipyard throughout the six months prior to entering the trade.

The Next Steps

The April hearing was very positive and the legislation will soon be reviewed by the full Merchant Marine and Fisheries Committee. Though subject to change and amendment, the legislation is schedule to then proceed on for review by the Natural Resources Committee and Ways & Means Committee in September. No companion legislation has yet been introduced in the Senate, however several key Senators have been apprised of the cruise ship initiative and are supportive of the effort.

Relaxation of the Passenger Act restrictions and the tax and financing advantages introduced through the accompanying tax act, will serve as the impetus that could attract development of a serious and sustained passenger trade up and down the West Coast. San Francisco's growth in the cruise sector has traditionally been hindered by its geographic distance from foreign ports in Canada or Mexico, which are necessary destinations in order to satisfy the current Passenger Act requirements.
Under relaxed regulation, ocean-going passenger vessels will be able to offer itineraries that incorporate scenic coastal cities and include San Francisco as a homeport base or stop-off. This will give rise to the growth of a whole new cruise segment which is non-existent today.

A National Cruise Ship Alliance study indicates that just 20 homeport calls - five months of weekly sailings by a single ship - could pump $7 million into a local economy, create 100 shoreside jobs, and $300,000 in local taxes. Here in San Francisco where there is more to see and do, our tourism and local industries stand to benefit even more. Finally, the study concludes that cities with shipyards such as ours will see three dollars of economic activity generated for every one dollar invested in vessel constructions and repairs.

Prepared by: Dennis Bouey, Executive Director

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-36

WHEREAS, The United States of America and American port cities seek opportunities for economic development; and

WHEREAS, The cruise ship industry has grown on average 9.3 percent every year since 1980 and is expected to double within the next ten years to gross $9 billion annually; and

WHEREAS, Cruises between U.S. ports would create new cruise markets and bring cruise business to San Francisco and many American port cities; and

WHEREAS, The Passenger Services Act passed by Congress in 1886 prohibits foreign flag ships from transporting passengers between United States Ports; and

WHEREAS, Every major cruise vessel in the world but two are foreign-built and operated under foreign flags; and

WHEREAS, H.R. 3821 and H.R. 3822 would facilitate U.S. shipbuilding, ship repair, and opportunities for shipyard conversion; open coastal cruise markets; create American jobs and provide opportunities for American investment in a market with proven economic potential; therefore be it

RESOLVED, that the Port Commission hereby authorizes the Port Staff to undertake all reasonable efforts in support of the Passenger Vessel Development Act (H.R. 3821) and the Passenger Vessel Development Tax Act (H.R. 3822), thereby assisting the development of a United States cruise ship registry, United States jobs, and a United States coastal cruise ship trade.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 26, 1994.

_____
Secretary

I:\users\portwide\wp51\unsoeld.res\July 9, 1994

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

July 26, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of Curbspace Use Permit for Horsedrawn Carriages at Fisherman's Wharf

DIRECTOR'S RECOMMENDATION: APPROVE ISSUANCE OF CURBSPACE USE PERMIT FOR HORSEDRAWN CARRIAGES AT FISHERMAN'S WHARF TO WATERFRONT HORSE CARRIAGE SERVICE

On May 24, 1994, the Port Commission adopted Resolution No. 94-82, which authorized Port staff to issue a Request for Proposals ("RFP") regarding a non-exclusive curbspace use permit for horsedrawn carriages at Fisherman's Wharf. The RFP for this curbspace use permit was issued on June 13, 1994, and two responsive proposals were received from Carriage Charter and from Waterfront Horse Carriage Service. The determination of responsiveness was made by the Port staff with review by the City Attorney's office.

The two proposals were evaluated by a three person Selection Panel, which was comprised of one member from the Port staff with property management expertise, one member of the Port staff with planning expertise, and one member of the staff of San Francisco International Airport with land transportation expertise. The composition of the Selection Panel was approved by the Port EEO Specialist.

THIS PRINT COVERS CALENDAR ITEM NO. 4A

The selection criteria, as authorized by the Port Commission, included operations, experience, and consideration. Consideration included both the monthly guaranteed fee proposed and the percentage fee projected (based upon the projected gross sales and the percentage factor proposed for calculating the percentage fee). Using this criteria, Waterfront Horse Carriage Service received the highest score from the Selection Panel. A summary of the scoring is shown on the following table.

Waterfront Horse Carriage Service is a joint venture comprised of Gilles L. Cohen and Jeff Sears. Gilles L. Cohen currently holds a permit from the San Francisco Police Department ("SFPD") to operate a horsedrawn carriage on City streets. However, in order for Waterfront Horse Carriage Service to provide the proposed service and pay the proposed consideration to the Port, it needs to secure SFPD approval of an amendment to its permit which would allow it to operate additional horsedrawn carriages on City streets. The Port staff therefore recommends that the non-exclusive curbspace use permit for horsedrawn carriages at Fisherman's Wharf be awarded to Waterfront Horse Carriage Service, contingent upon Waterfront Horse Carriage Service first obtaining approval from the SFPD to operate sufficient additional horsedrawn carriages on City streets. This recommendation is consistent with the RFP which provided that a proposer would not need to hold a permit from the SFPD prior to making a proposal, but would need to hold such a permit before operation could commence.

SCORING OF RESPONSES TO RFP
FOR CURBSPACE USE PERMIT FOR HORSEDRAWN CARRIAGES

CRITERIA	MAX. POTENTIAL SCORE	CARRIAGE CHARTER	WATERFRONT HORSE CARRIAGE SERVICE
Operations	60	34	24
Experience	60	45	34
Consideration	180	111	150
TOTAL SCORE	300	190	208
PROPOSED CONSIDERATION	Monthly Guaranteed Fee	$750.00	$1,100.00
	Percentage Factor	5%	16%

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

I:\users\tenant\wp51\agendas\hrsdrawn.rfp\KB\cp\July 12, 1994

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-102

WHEREAS, The Port Commission adopted Resolution No. 94-82 on May 24, 1994, approving the issuance of a Request for Proposals ("RFP") regarding a Non-Exclusive Curbspace Use Permit for Horsedrawn Carriages at Fisherman's Wharf ("Use Permit"); and

WHEREAS, The RFP was issued on June 13, 1994; and

WHEREAS, Two Responsive Proposals to this RFP were received by the Port; and

WHEREAS, The Port convened a Selection Panel made up of Port and City staff with expertise in property management, planning, and land transportation to evaluate the proposals; and

WHEREAS, The Selection Panel scored the proposals; and

WHEREAS, Waterfront Horse Carriage Service ("Waterfront") received the highest score from the Selection Panel; and

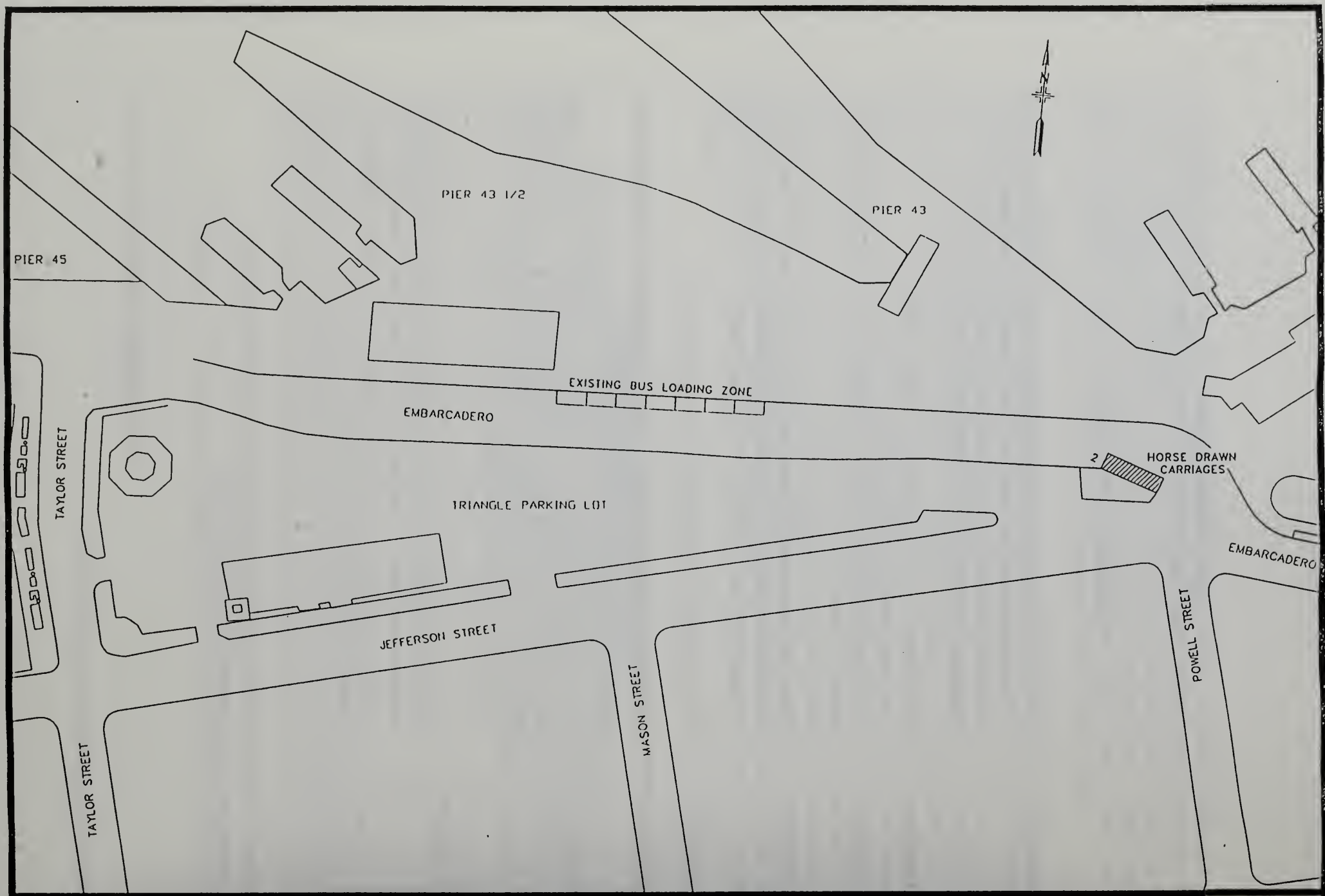
WHEREAS, In order for Waterfront to provide the proposed service and consideration to the Port, Waterfront needs to secure San Francisco Police Department ("SFPD") approval to operate additional horsedrawn carriages on City streets; and

THEREFORE, be it resolved that the Port Commission hereby authorizes the Executive Director to execute and enter into the Use Permit with Waterfront Horse Carriage Service, provided Waterfront first obtains approval from the SFPD to operate sufficient additional horsedrawn carriages.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 26, 1994

_____
Secretary

I:\users\tenant\wp51\agendas\hrsdrawn.rfp\KB\cp\July 13, 1994



FISHERMAN'S WHARF NON-EXCLUSIVE CURBSPACE PERMIT
HORSEDRAWN CARRIAGES

SAN FRANCISCO PORT COMMISSION
EXHIBIT

PORT OF SAN FRANCISCO

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MEMORANDUM

July 26, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Approval of Modification to Standard Form Lease with the San Francisco Unified School District for Space at Pier 80.

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION TO STANDARD FORM LEASE WITH THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT.

On June 28, 1994, the Port Commission approved the business terms of a 2-year lease with the San Francisco Unified School District ("SFUSD") for shed space in Shed A at the Pier 80 Army Street Terminal and office space in the Pier 80 Administration Building. The business terms of this lease were also approved by the Board of the SFUSD. The attorney for the SFUSD and the City Attorney for the Port have agreed to the form of the lease, except for the provisions regarding hazardous materials.

The Port's standard form lease requires the tenant to be responsible for the handling of "all Hazardous Materials discovered on the Premises during the Term," regardless of the source. This would include any pre-existing hazardous materials. The only exception is hazardous materials introduced on the Premises by the Port during the lease term.

THIS PRINT COVERS CALENDAR ITEM NO. 4B

The SFUSD has refused to enter into the lease if it contains the above hazardous material provisions. It would, however, enter into the lease if the hazardous materials language is modified so that the SFUSD is responsible for only hazardous materials introduced on the premises during the lease term, excluding any hazardous materials introduced by the Port during the lease term. With this modification, the SFUSD is prepared to immediately execute the lease and take occupancy of the Premises.

The attached exhibit indicates the hazardous materials language contained in the standard form Port lease which has been approved by the Port Commission. It also indicates the modifications to the hazardous materials language proposed by the SFUSD.

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-106

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, The Port Commission approved the business terms of a lease with the San Francisco Unified School District ("SFUSD") for Pier 80 on June 28, 1994; and

WHEREAS, Port Commission approval is now being sought for a modification to the Standard Form Lease to be entered into with SFUSD which incorporates the approved business terms; therefore be it

RESOLVED, that the Port Commission hereby approves the modification to the Standard Form Lease as set forth in the Memorandum of Agenda Item 4B for the Port Commission Meeting on July 26, 1994 and hereby authorizes the Executive Director of the Port to execute a lease on behalf of the Port with the San Francisco Unified School District which includes said modification.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 26, 1994.

_____
Secretary

I:\...\agendas\sfusd.res\KB\cp\July 26, 1994

EXHIBIT "A"

STANDARD FORM

16.2 Tenant Responsibility. Subject to the restrictions set forth in Section 16.1 hereof, Tenant shall Handle all Hazardous Materials discovered on the Premises during the Term of this Lease or introduced on the Premises by Tenant, its Agents or Invitees, in compliance with all Environmental Laws. Tenant shall not be responsible for the safe Handling of Hazardous Materials introduced on the Premises during the Term of this Lease by City, Port or their Agents. Tenant shall protect its employees and the general public in accordance with all Environmental Laws. Port may from time to time request, and Tenant shall be obligated to provide, information reasonably adequate for Port to determine that any and all Hazardous Materials are being Handled in a manner which complies with all Environmental Laws. Port shall have the right to inspect the Premises for Hazardous Materials at reasonable times, pursuant to Section 25.1 hereof.

16.3 Requirement to Remove. Prior to termination of this Lease, Tenant, at its sole cost and expense, shall remove any and all Hazardous Materials introduced in, on, under or about the Premises by Tenant, its Agents or Invitees. Further, Tenant, at its sole cost and expense, shall remove any Hazardous Material discovered on the Premises during the Term of this Lease which is required to be removed by any governmental agency, including Port; provided however, that Tenant shall not be obligated to remove any Hazardous Material introduced onto the Premises during the Term of this Lease by the City, Port or their Agents. Prior to the termination of this Lease, Port and Tenant shall conduct a joint inspection of the Premises for the purpose of identifying Hazardous Materials existing on the Premises which Tenant is required to remove.

PROPOSED MODIFICATION

Section 16.2 (Tenant Responsibility) of the Lease is hereby amended to read as follows:

"16.2 Tenant Responsibility. Subject to the restrictions set forth in Section 16.1 hereof, Tenant shall Handle all Hazardous Materials introduced on the Premises during the Term of this Lease, in compliance with all Environmental Laws. Tenant shall not be responsible for the Hazardous Materials introduced on the Premises during the Term of this Lease by City, Port or their Agents. Tenant shall protect its employees an the general public in accordance with all Environmental Laws. Port may from time to time request, and Tenant shall be obligated to provide, information reasonably adequate for Port to determine that any and all Hazardous Materials are being Handled in a manner which complies with all Environmental Laws. Port shall have the right to inspect the Premises for Hazardous Materials at reasonable times, pursuant to Section 25.1 hereof."

Section 16.3 (Requirement to Remove) of the Lease is hereby amended to read as follows:

"16.3 Requirement to Remove. Prior to termination of this Lease, Tenant, at its sole cost and expense, shall remove any and all Hazardous Materials introduced in, on, under or about the Premises during the term of this Lease. Prior to the termination of this Lease, Port and Tenant shall conduct a joint inspection of the Premises for the purpose of identifying Hazardous Materials existing on the Premises which Tenant is required to remove. Tenant shall not be responsible for the removal of Hazardous Materials introduced on the Premises during the Term of this Lease by City, Port or their Agents.

PORT OF SAN FRANCISCO

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MEMORANDUM

July 20, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Construction Contract No. 2586, "Ferry Building Seismic Repair Stage I" Approval to issue Contract Modification No. 6

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION AUTHORIZE STAFF TO ISSUE CONTRACT MODIFICATION NO. 6 WITH BARNES/LEM, A JOINT VENTURE, FOR $188,974.75.

Work is proceeding on construction Contract No. 2586 for earthquake repair to the Ferry Building. Due to this construction and uneven weathering of the existing coating, the surface of the exterior sandstone has an irregular appearance.

Staff recently successfully convinced FEMA/OES to fully fund coating the front exterior face of the Ferry Building. This is a pigmented masonry stain coating and a waterproofing which will restore the original look to the front of the building. The specifications were developed by the Port's historical architectural consultant.

This is very specialized work which few contractors can perform. The Port received a quote from prime contractor Barnes/Lem for a subcontractor Rainbow/Baca, a Joint Venture to perform the work. Baca is a certified MBE and a 60% joint venture partner. If the Port were to bid this coating work out as a separate contract it is very unlikely that a MBE firm would get the contract because of the specialized nature and the limited number of contractors that can do the work.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

Also, the coating work would be delayed, it would be more expensive to administer a separate contract and the cost would probably increase.

Staff has informed Boris Dramov of the Ferry Building Renovation Consulting Team, Polshek/ROMA, about this proposed work and he agrees that the coating should be applied during this Stage I construction contract. Proposed future Ferry Building renovation work will not affect this portion of the building.

The coating application will take approximately six (6) weeks to complete. In order that this construction contract be concluded by the mid-September, 1994 schedule, it is imperative that this work commence as soon as possible.
FEMA's historical preservation architect has approved the coating specification.

FEMA/OES will be funding 100% of this contract modification cost of $188,974.75.

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-100

WHEREAS, work is proceeding on construction Contract No. 2586, "Ferry Building Seismic Repair, Stage I"; and

WHEREAS, due to this construction and uneven weathering of the existing coating, the sandstone is irregular in appearance; and

WHEREAS, Port staff has recently convinced FEMA/OES to fully fund coating the front of the Ferry Building; and

WHEREAS, the prime contractor Barnes/Lem, a Joint Venture has secured subcontractor Rainbow/Baca, a Joint Venture, with Baca a certified MBE and a 60% partner, to perform this coating work; and

WHEREAS Boris Dramov of the Ferry Building Renovation Consulting Team, Polshek/ROMA, has agreed that this coating work should be done during this Stage I work since future renovation work will not affect this portion of the building; and

WHEREAS, FEMA's historical preservation architect has approved the specifications for the coating; therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes staff to issue Contract Modification No. 6 to Contract 2586 with Barnes/Lem, a Joint Venture to have its subcontractor Rainbow/Baca a Joint Venture perform exterior coating work at a cost of $188,974.75.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 26, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

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Writer

July 26, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Approval of Harbor Code Amendment Regarding Restrictions on Use of Curbspace.

DIRECTOR'S RECOMMENDATION: APPROVE AMENDMENT TO HARBOR CODE.

The Port Commission has the authority through the Harbor Code to regulate stopping, parking and queuing on Port property. On November 22, 1993, the Port Commission approved an amendment to the Harbor Code which clarified and strengthened the Port Commission's control of curbspace on Port property, specifically regulating the solicitation and origination of commercial tour operations on Port property and establishing Pedicab Stands on Port property.

To assist enforcement of such usage of curbspace at Fisherman's Wharf, an amendment to the Harbor Code is now proposed whose fundamental provisions include the following:

1. Identify with red and white stripes the curbspaces which are only to be used under Port permits for the solicitation and origination of commercial tour operations and for Pedicab Stands.

2. Language enabling citations to be issued by officers of the San Francisco Police Department and Department of Parking and Traffic for unpermitted solicitation or originating of commercial tour operations on Port property.

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

THIS PRINT COVERS CALENDAR ITEM NO. 8A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-104

WHEREAS, the San Francisco Port Commission is charged with governing the Port area pursuant to the Charter of the City and County of San Francisco; and

WHEREAS, the Port Commission has been formally delegated the authority to adopt a Harbor Traffic Code pursuant to City and County of San Francisco Ordinance Number 40-69; and

WHEREAS, the Port Commission has adopted such a Harbor Traffic Code; and

WHEREAS, Article 3 of the Harbor Traffic Code establishes regulation with respect to obedience to signs, stopping, parking, queuing and use or occupation of curb space on property within the control and jurisdiction of the Port of San Francisco; and

WHEREAS, it is necessary to amend the rules and regulations with respect to permitted activities within designated zones to restrict unauthorized commercial vehicular activity; and

WHEREAS, the Port Commission has determined that solicitation or origination of commercial tour operations or other commercial operations should be permitted only in designated zones pursuant to a license or permit issued by the Port; and, now, therefore, be it

RESOLVED, that the Harbor Traffic Code is hereby amended as follows:

Article 3, Section 24 is hereby amended as follows:

Article 3. Obedience to signs and Stopping or Parking.

24. Parking Regulations Specified. It shall be unlawful for any operator of a motorized or non-motorized vehicle to disobey any official sign pertaining to parking regulations either established by the Port Commission in accordance with the provisions of this Code, or of the Vehicle Code of the State of California. The regulation of parking shall be determined by the following curb marking legend or in areas which have no curbs by appropriate Port signs:

(a) Red shall indicate no stopping, standing or parking, day or night, whether the vehicle is attended or unattended.

(b) Red and White strip shall indicate no stopping, standing or parking, day or night, whether the vehicle is attended or unattended unless the operator of the vehicle has first obtained a license or permit from the Port to stop, stand, and/or park adjacent to the designated curb; provided, however, that stopping, standing and/or parking at such designated curbs by operators with Port permit shall be done in strict compliance with all applicable terms, conditions and restrictions set forth in said permit.

(c) Yellow shall indicate stopping only for the purpose of loading or unloading freight, between the hours of 7 a.m. and 6 p.m. everyday, and in any such event the stopping shall be limited to a maximum period of 30 minutes.

(d) White shall indicate stopping only for loading or unloading of passengers, day or night, and in any such event the stopping shall be limited to a maximum period of five (5) minutes; provided, however, that in no event shall white zones be used, except for taxicab operators, to originate or solicit business for commercial tour operations or any other commercial operation.

(e) Green shall indicate parking areas for passenger vehicles, which parking shall be limited to a maximum period of time stenciled onto the curb area.

(f) White Parking Lines painted on an angle to the curb shall indicate angle parking and all parking of vehicles in any area so designated shall be at an angle to the curb indicated by such markings and within such designated spaces.

Article 3, Section 32 is hereby amended to read as follows:

32. Taxicab Stands and Pedicab Stands

(a) Taxicab and Pedicab Stands shall be designated with signage indicating the type of stand, and by white lines painted on the pavement, with the adjacent curb marked with red and white stripes.

(b) It shall be unlawful for the operator of any vehicle to stop or park in a Taxicab or Pedicab stand, except that the Commission by permit may authorize the operators of designated taxicab vehicles to park or stop in taxicab stands and the operators of designated pedicabs to park or stop in pedicab stands.

(c) Taxicab operators and pedicab operators shall comply with all applicable provisions of the San Francisco Traffic Code, the Vehicle Code of the State of California, the San Francisco Police Code, this Harbor Code, and such rules and regulations as hereinafter adopted by the Port Commission, while on property under the jurisdiction of the Port Commission.

(d) Pedicab operators shall not park, stand or operate any pedicab or other vehicle on Port property without first obtaining a license or permit from the Port therefore; and may be subject to a fine of up to one hundred dollars for each infraction of this subsection.

Article 3, Section 36 is hereby added to the Harbor Traffic Code to read as follows:

36. Commercial Tour Operations.

No commercial tour business or commercial operator of any vehicle, including horsedrawn carriages, pedicabs or any other non-motorized vehicle, shall originate vehicular tours on Port property or shall engage in solicitation for such business or operation on Port property without first obtaining a license or permit authorizing such business or operation, with the exception of public agencies and taxicabs. Violations of this subsection 36 shall be an infraction punishable by a fine of one hundred dollars.

The foregoing resolution is adopted by the Port Commission of the City and County of San Francisco on this _____ day of July, 1994 by the following vote:

Ayes: _____ Nays: _____ Absent: _____

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 26, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

July 20, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Refunds and Allowances Report - June 1994

DIRECTOR'S RECOMMENDATION: APPROVE REFUNDS AND ALLOWANCES REPORT

Attached, for your approval, is the Refunds and Allowances report for the period ending June 30, 1994.

Prepared by: Ben Kutnick

THIS PRINT COVERS CALENDAR ITEM NO. 8B

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-105**

RESOLVED, that the San Francisco Port Commission hereby approves the June 1994 Refunds and Allowances report.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of July 26, 1994.

_____
Secretary

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
June 30, 1994

REVENUE TYPE	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
1. Cargo Facility Rent				0
2. Commercial Rent	$ 4,489	$ 102,761	$ 5	$ 107,255
3. Container Crane Rental				0
4. Demurrage		144		144
5. Dockage		4,231		4,231
6. Electrical Power Service			14	14
7. Facility Damage				0
8. Fishing Boats		15	8	23
9. Fish Facility Rent				0
10. Maritime Related Rent				0
11. Maritime Rent				0
12. Misc. Services to Tenants				0
13. Miscellaneous Revenue				0
14. Parking Stalls		1,727	45	1,772
15. Penalty Charges		325	276	601
16. Percentage Rentals	1,000	3,812		4,812
17. Permits				0
18. Security Deposits		7,237	1	7,238
19. Service Charges		4	5,221	5,225
20. Ship Repair				0
21. Wharfage – Cargo				0
22. Wharfage – Non-Cargo				0
	$ 5,489	$ 120,256	$ 5,570	$ 131,315

ATTACHMENT 1

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JUNE 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
COMMERCIAL RENT						
1. Pier 46 Testing	477780	To credit invoice #476593 for June rent because of underbilling. (Re-billed by invoice #477576 for $12,137.50).		$ 9,710		$ 9,710
2. U. S. Postal Service	477781	To credit invoice #476779 for June rent because of underbilling. (Re-billed by invoice #477573 for $8,000).		5,484		5,484
3. Cascade Products	477783	To credit invoice #476561 for June rent because of underbilling. (Re-billed by invoice #477574 for $1,267).		599		599
4. S. F. City & County Police Department	477787	To issue credit for June invoice #476745 because tenant terminated lease as of 5/31/94.		40,354		40,354
5. Bay Blossoms	477790	To credit duplicate invoice #476081 for May rent. May rental has been billed under invoices #475643 & #474858.		681		681
6. Cavallini & Co.	477791	To issue credit for tenant improvement allowance for plaster repair at WTC #135 per lease agreement. 1st of 3 installments.	$ 600			600
7. Cavallini & Co.	478809	To issue credit for tenant improvement allowance for plaster repair at WTC #135 per lease agreement. 2nd of 3 installments.	600			600
8. Landor Associates	477782	To credit invoice #476664 for June rent because of underbilling. (Re-billed by invoice #477575 for $2,583).		1,937		1,937
9. Dwares, Peter	478802	To issue credit for tenant improvement allowance for carpet installation per lease agreement.	553			553
10. Paterson Home Loans	478804	To credit April, May & June rental invoices because of duplicate billing per Property Manager.		1,836		1,836
11. Vos, Barbara	478805	To credit March & April invoices because of overbilling and duplicate billing per Property Manager.		1,134		1,134
12. Orion Environmental Associates	478811	To issue credit for tenant improvement allowance for carpet installation per lease agreement.	660			660

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JUNE 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
13. Bay World Trading, Ltd.	478813	To credit June rent because tenant should not be billed until July 1994.		777		777
14. Flying Dutchman Park, Inc.	478984	To credit various invoices from December 1993 through May 1994 because tenant was billed twice under old lease rate for all those months.		37,097		37,097
15. Printline Products	479160	To issue credit for various improvement per lease agreement.	583			583
16. China Int'l Travel	479163	To issue credit for tenant improvement allowance for carpet installation per lease agreement.	691			691
17. Bundox Restaurant	479165	To credit invoice #476546 because tenant was billed twice for June rent for both new & old lease rates.		2,873		2,873
18. Fourteen (14) invoices under $500	Various		802	279	$ 5	1,086
Subtotal CRNT			4,489	102,761	5	107,255
DEMURRAGE						
1. Two (2) invoices under $500	Various			144		144
Subtotal DEMR			0	144	0	144
DOCKAGE						
1. Commodore Cruise Line	477792	To credit invoice #477320 because tenant was billed for the wrong overall length. (Re-billed under invoice #477646 for $1,373.00).		2,033		2,033
2. Cunard	477793	To credit invoice #476296 because tenant was billed in error. Should have been billed to Cunard Commodore. (Re-billed under invoice #477320 for the same amount).		2,033		2,033
3. One (1) invoice under $500	479167			165		165
Subtotal DOCK			0	4,231	0	4,231

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JUNE 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
ELECTRICAL POWER						
1. Twelve (12) invoices under $500	Various				14	14
Subtotal ELEC			0	0	14	14
FISHING BOATS						
1. Five (5) invoice under $500	Various			15	8	23
Subtotal FISH			0	15	8	23
PARKING						
1. Nineteen (19) invoices under $500	Various			1,727	45	1,772
Subtotal PSTL			0	1,727	45	1,772
PENALTY CHARGE						
1. Nineteen (19) invoices under $500	Various			325	276	601
Subtotal PCHG			0	325	276	601

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JUNE 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
PERCENTAGE RENTALS						
1. Peer Inn, Inc.	478812	To credit Invoices #474813 & #474814 because tenant has already paid May rent under lease #11912.		1,947		1,947
2. Alioto Fish Co., Ltd.	478853	To credit for interruption of business during Jefferson Street sidewalk modification.	1,000			1,000
3. Harbor Bay Maritime, Inc.	479159	To credit for overpayment on March to June 1994 rent.		1,285		1,285
4. Two (2) invoices under $500	Various			580		580
Subtotal PERC			1,000	3,812	0	4,812
SECURITY DEPOSITS						
1. Highlight Productions	478808	To credit invoice #475167 as tenant submitted a certificate of deposit for payment.		5,492		5,492
2. Cavallini & Co.	478852	To credit Invoice #477315 as tenant submitted a certificate of deposit for payment.		1,610		1,610
3. Three (3) invoices under $500	Various			135	1	136
Subtotal PREP			0	7,237	1	7,238
SERVICE CHARGE						
1. Bundox Restaurant	479166	To write-off various Invoices for service charges per agreement between Port Director and tenant.			5,198	5,198
2. Seven (7) Invoices under $500	Various			4	23	27
Subtotal SERV			0	4	5,221	5,225
TOTAL CREDIT MEMOS - JUNE 1994			$ 5,489	$ 120,256	$ 5,570	$ 131,315

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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MINUTES OF THE SPECIAL MEETING
1:30 P.M., JULY 26, 1994

1. **ROLL CALL**

The meeting was called to order by President Preston Cook at 1:35 p.m. The following Commissioners were present: Preston Cook, Anne Halsted, Frank O'Neill and Frankie Lee.

2. **APPROVAL OF MINUTES** - July 12, 1994 Minutes

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; minutes of the July 12, 1994 meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Mr. Bouey reported that, regrettably, Evergreen has given notice to the Port that they will not renew their contract with the Port of San Francisco. They have indicated that they will honor the balance of their contractural commitment to San Francisco through June 1995 and will then relocate to Oakland. Mr. Bouey mentioned that when they visited Taiwan, they listened very hard to Evergreen's issues and staff has tried to address those same issues through our proposals. In point of fact, with regard to the cargo sourcing issues, it turns out that over 1/2 of the cargo that Evergreen originates is destined for the west bay; the irony being that if they relocated to Oakland, Evergreen would then have to move more cargo over the bridge and pay more in surcharges than if they stayed in San Francisco. We made multiple offers addressing those issues. Despite over $1 million lower than Oakland's offer, Evergreen indicated they made their decision based primarily on two factors: 1) That while not much goes out on the bay area on rail now, Evergreen sees rail as the future; and quite simply, Oakland has three railheads and San Francisco one. As a consequence, Oakland offers a better quantity and quality of rail service that San Francisco can't match either today or tomorrow. (2) Notwithstanding our cargo sourcing study, Evergreen feels that there is a long-term trend of cargo sourcing relocating from the west bay to the east bay. Based on their studies, they feel this trend will continue and ultimately would put Evergreen at a competitive disadvantage if they were to stay in San Francisco. In essence, their feeling was it's better to move now. This, however, does not signal the end of our maritime efforts. Staff has identified several companies that may be interested in coming to San Francisco. We believe that by trying to address issues other than just what a shipping line pays the Port in wharfage or dockage, we believe we can be competitive with Oakland in the future. Certainly, the pressure is on us. We have a window of about 8-10 months to try and bring other maritime tenants to San Francisco. As long as Evergreen holds to its commitment to honor the term of its contract, there is not a budget problem for this year.

Commissioner O'Neill asked about how much Evergreen brings in to the Port. Mr. Bouey responded that Evergreen pays $1.8 million to the Port.

B. Resolution supporting passage of proposed federal legislation (HR 3821 and HR 3822) introduced by Representative Jolene Unsoeld (Washington), to facilitate U.S. shipbuilding, coastal cruises, employment opportunities, and increased tourism in the U.S. Passenger Cruise Industry. (Resolution No. 94-36)

Mr. Bouey indicated that the cruise ship industry is expanding. San Francisco, as both a destination city and tourist mecca, should benefit greatly from this trend. However, current law does not permit foreign flag vessels to pick up and drop off passengers between U.S. ports. Of the current 125 or so cruise ships in the world today, only two are U.S. flagged and both are currently stationed in Hawaii. Unfortunately, for to the Port of San Francisco, the current law is as detrimental to us obtaining a larger share of this trade particularly; as San Francisco is disadvantaged geographically because of our middle spot on the west coast. More typically we see traffic going from L.A. or San Diego to Mexico or Alaska to Vancouver. This legislation contains two major components. The first is that foreign ships would be granted interim rights to operate between U.S. ports. In return, the companies must contract within a year to build a U.S. replacement vessel and such construction must be started within two years of their commencement of U.S. service. This restricted legislation, candidly, is a step into the right direction but not the ultimate panacea. Nonetheless, cities like Seattle and San Francisco need to send a signal to Congress that we need to make progress in this area. Mr. Bouey asks for Commission endorsement of the attached resolution.

Commissioner Cook wondered whether there has been any movement from Congress since April 13 when it was heard at the Merchant Marine and Fishery subcommittee. Mr. Bouey indicated it is schedule to be heard by the Ways and Means Committee in September.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

4. **TENANT & MARITIME SERVICES**

A. Approve Issuance of Curbspace Use Permit at Fisherman's Wharf to Waterfront Horse Carriage Service (Resolution No. 94-102)

The Commission authorized and RFP for a curbspace permit for horsedrawn carriages. Staff subsequently issued an RFP and the Port received two responses. Those responses were reviewed by a panel consisting of two members of Port staff (Planning and Property Management) and one individual from San Francisco Airport who is familiar with permits for ground transportation. On the basis of panel review, staff recommends that the contract be awarded to Waterfront Horse Carriage Service subject to the company receiving the necessary number of permits to operate this service. Staff asks for Commission's concurrence with the attached resolution.

Mr. John Jenkel, representing Carriage Charter, stated that passing this resolution will bring to an end his 13 year relationship with the Port of San Francisco. He read a July 25 letter, which was handed to the Commission just prior to the meeting, outlining the reasons why he believes this item should be tabled. He mentioned a letter addressed to Chief Ribera requesting no expansion of the 10 existing horsedrawn vehicle permits in Fisherman's Wharf, North Beach areas and along the northern waterfront of San Francisco. He also read a letter from the North Beach Merchants Association President, Mark J. Romero, to Chief Ribera opposing issuance of any further permits and enumerated their reasons. He also mentioned other petitions signed by merchants, etc.

Ms. Gloria Fowler, an employee of Carriage Charter for one year, and who has over 30 years of experience with horsemanship indicated that John Jenkel provided her a job and helped her through hard times. She then read a letter to the Commission about her feelings and the hardship she may encounter in the event that the contract is awarded to the other proposer.

Mr. Gil Cohen, Waterfront Horse Carriage, stated that if Mr. Jenkel's allegations raised any doubts or questions, that he was happy to address them. Commissioner Cook stated that it is not proper to negotiate by beating a competitor down. What was written and said about Waterfront Horse Carriage is not being considered in the Commission's decision to award the contract. Mr. Cohen then thanked the Commission for their efficiency and consideration.

Mr. Jeff Sears, Waterfront Horse Carriage, stressed that their main concern is safety. They have new first-class equipment that are authentic reproductions built by the Amish. They will provide service that is more consistent and will be available on a much more frequent basis. They will do the best job they can and provide a service that everyone will be proud to use at Fisherman's Wharf.

Commissioner O'Neill asked if Mr. Sears and Cohen operated a pedicab company on Port property and inquired how long Port staff has negotiated with the pedicab company to get a lease and wondered how they honored their contract with the Port. Mr. Kirk Bennett, Acting Director of Tenant & Maritime Services, responded that Mr. Sears and Mr. Cohen do, in fact, operate a pedicab company and the Port negotiated with them from July to September. Their contract went into effect this year and they are honoring their commitment. The situation at Fisherman's Wharf and along the waterfront has improved immensely.

Commissioner Lee asked for the background on how the scoring criteria was established. Mr. Bennett stated that the original concept last fall, at the direction of the Commission, was to develop a comprehensive plan for all the use of curbspace at Fisherman's Wharf. The first RFP contained a criteria for consideration weighted at 60 percent, operations weighted at 20 percent and experience also at 20 percent. This was approved by the Commission. Two non-responsive proposals to the original RFP were received and the RFP was reissued with similar criteria. Commissioner Lee asked whether feedback or comments from different operators were obtained. Mr. Bennett stated yes but not extensively. There was discussion with the Fisherman's Wharf community. Commissioner Lee asked whether the two proposers were very clear of the selection criteria. Mr. Bennett concurred that not only was the criteria spelled out in the RFP but there was an opportunity at a pre-bid conference wherein staff was available to answer any questions; neither proposer attended. Commissioner O'Neill asked how long the permit is for. Mr. Bennett indicated that it is a month-to-month permit. The RFP indicates that this will be rebid in the future. Mr. Bennett also stated that the application has been made to the Police Department and will be heard tomorrow afternoon. The proposer asked for 8 permits but the Police Department recommended 5 which is sufficient to provide the service.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

B. Approval of Modification to Standard Form Lease with the San Francisco Unified School District (SFUSD) for Space at Pier 80 (Resolution No. 94-106)

Mr. Bouey stated that at the last meeting, the Commission approved a lease for an area at Pier 80 for the SFUSD. Subsequent to Commission's approval, the attorneys for the SFUSD, in reading the lease, came upon a clause that would make them responsible for all hazardous materials discovered on site during the term of the lease. They assert that they should not have the responsibility for hazardous materials that have been introduced prior to their tenancy; particularly since their tenancy is only for one year. Staff concurs with their comments and asks the Commission to adopt modified language which would only make the SFUSD responsible for hazardous materials that they introduce onto the premises. Staff has done a walk-thru to identify obvious hazardous materials. Since this is the third time this issue has come up in as many months, at the next meeting, Mr. Bouey will bring an amendment of the Port's leasing policy to

allow staff some leeway to negotiate. Staff asks for concurrence with the attached resolution amending the proposed lease language to SFUSD.

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

5. **FACILITIES & OPERATIONS**

A. Contract 2586, "San Francisco Ferry Building Seismic Repair, Stage I," Authorization to Issue Contract Modification No. 6 for $188,974 to Barnes/Lem a Joint Venture, to Provide Coating for the Front of the Ferry Building (Resolution No. 94-100)

Mr. Bouey stated that staff has successfully negotiated with and convinced FEMA to assume responsibility for a coating on the front of the building. This coating will be of the same color as the original Ferry Building; and won't be too much different from what it is now. Staff has consulted with the Port's historical architectural consultant who agreed that the application and the color are proper for the front of the building. As well, staff has negotiated with the contractor to provide an MBE opportunity of significant magnitude. Staff asks for concurrence with the attached resolution.

Commissioner O'Neill inquired about the difference, based on estimate, between the MBE work and if the contract were let to bid. Mr. Bouey stated that it would be more expensive if it was bid as a separate contract. Commissioner Cook asked when the work will commence and what the work consists of. Mr. Cliff Jarrard, stated that work will begin in about one week and a half or two weeks and expects it to be completed in September. The building will be cleaned and the front of the building will be coated with a waterproofing material; then each sandstone will be painted individually and another waterproofing coating.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

6. **PLANNING & DEVELOPMENT** - No Items Calendared

7. **ADMINISTRATION** - No Items Calendared

8. **CONSENT CALENDAR**

A. Approval of Harbor Code Amendment regarding Restrictions on Use of Curbspace. (Resolution No. 94-104)

B. Approval of Refunds and Allowances for the period ending June 30, 1994 (Resolution No. 94-105)

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolutions on the Consent Calendar were adopted.

Mr. Bouey announced that the 4:00 p.m. regular meeting of the Port Commission will be held in Room 2026 located on the 2nd floor of the Ferry Building.

9. **NEW BUSINESS - None**

10. **EXECUTIVE SESSION**

At 2:25 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matters:

A. An executive session has been calendared for the July 26, 1994 Special Meeting of the Port Commission to discuss the status of the following litigation case: Kraal v. CCSF, Superior Court No. 943-927

The City Attorney's office is of the opinion that based on existing facts and circumstances discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

B. Conference with Real Property Negotiator
Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

C. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

Commissioners Cook, Halsted, O'Neill and Lee returned from Executive Session and convened in public session at 3:35 p.m.

ACTION: Commissioner Halsted moved approval to not disclose information discussed at the Executive Session; Commissioner Cook seconded the motion. All Commissioners in favor.

Meeting was adjourned.

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♦ REGULAR MEETING ♦

4:00 P.M., JULY 26, 1994

AGENDA

1. **ROLL CALL**

2. **PLANNING & DEVELOPMENT**

   A. Presentation and Public Hearing on Waterfront Land Use Plan recommendation to the Port Commission by the Waterfront Plan Advisory Board

3. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero station located at Market and Spear Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American sign language interpreters
- The use of a reader during the meeting
- A sound enhancement system
- Minutes of the meeting in alternative formats
- Large print of copy of an agenda

To allow individuals with environmental illness or multiple chemical sensitivity to attend the meeting, individuals are requested to refrain from wearing perfume or other scented products. Please help the City to accommodate these individuals.

PORT OF SAN FRANCISCO

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MEMORANDUM

July 26, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Presentation and Public Hearing on *Waterfront Land Use Plan* recommendation to the Port Commission by the Waterfront Plan Advisory Board

DIRECTOR'S RECOMMENDATION: INFORMATIONAL PRESENTATION; NO ACTION REQUIRED

I. Background and Status of *Draft Waterfront Land Use Plan*

In November 1990, the voters of San Francisco approved Proposition H, which banned hotel development on piers and within 100 feet of the shoreline, mandated the preparation of a waterfront land use plan for this same property and established a moratorium on new non-maritime development on piers and within 100 feet of the shoreline until the plan is complete. To ensure a comprehensive planning process, the Port Commission extended the scope of the plan to include all Port properties and created the 27 member Waterfront Plan Advisory Board (Advisory Board). The Advisory Board members were appointed based on recommendations by the Board of Supervisors and the Mayor, as well as through a general solicitation of interested citizens, maritime industry representatives, Port tenants, labor unions, neighborhood organizations, architects, planners and other professionals. (A list of the Advisory Board members and their affiliations is attached.)

THIS PRINT COVERS CALENDAR ITEM NO. 2A

The Advisory Board held public meetings twice monthly for three years during which time it conducted an intensive analysis of all issues related to land use policy for the Port. The full Advisory Board held 75 public meetings, in addition to numerous meetings of the Advisory Board's Financial and Implementation Subcommittees and public workshops and sessions with neighborhood and other community groups. Throughout this effort, hundreds of citizens and interested parties have appeared before the Advisory Board or attended sessions regarding the *Waterfront Land Use Plan*.

Water-dependent activities were the focus of Phase I of the planning process. Following an 18 month review process, the Advisory Board determined the land use needs of water-dependent activities, following an intensive evaluation of each maritime industry and public workshops with industry representatives. The Advisory Board tentatively reserved over two-thirds of the Port properties to meet the future needs of water-dependent activities, pending further review of these needs in the final phase of the planning process.

In Phase II of the planning process, the Advisory Board evaluated other activities that are not necessarily water-dependent, such as public access and open space, commercial and other uses. The Advisory Board held public workshops over the course of a year to receive public comments from citizens, real estate and design professionals, and experts in transportation, historic preservation and other relevant disciplines on the feasibility and desirability of these new waterfront activities and their compatibility with activities on neighboring properties. Based on this information, possible land uses were identified for the sites not previously reserved for water-dependent activities in Phase I, and were outlined in *Options for Change*, a report published for public review and the subject of numerous public meetings from the fall of 1993 through the spring of 1994.

The Advisory Board's recommended *Draft Waterfront Land Use Plan* (*Draft Plan*) integrates the Phase I and Phase II analysis and findings into a proposed, comprehensive land use plan to guide the Port Commission in the use of its property. In so doing, the Advisory Board has studied and considered the complex regulatory, environmental, land use and financial issues and constraints that affect Port land use, as well as the extensive public testimony they have received during the past three years.

The Port Commissioners received copies of the *Draft Plan* for Advisory Board Review (dated June 6, 1994) in early June when the *Draft Plan* was distributed to the Advisory Board and made available to the general public. Since that time, the Advisory Board has reviewed and amended the *Draft Plan* and overwhelmingly approved each chapter.

A copy of a letter from Robert Tufts, who has chaired the Advisory Board since its inception, is enclosed with this Agenda Summary and transmits: 1) an Executive Summary of the *Draft Plan*, 2) a June 20th version of the *Draft Plan* adopted by the Advisory Board at its meetings on June 18th and June 20th, which incorporates Advisory Board revisions to the June 6th Draft you previously received, and 3) a separate Advisory Board recommendation about hotels on piers.

II. Next Steps

Port Commission Review of the *Draft Plan*. The Port Commission now has the opportunity to fully review the *Draft Plan* and determine whether it should be modified in any way before environmental review of the *Draft Plan*. The Port Commission has the authority to endorse the *Draft Plan* as recommended, or with modifications. Once the Port Commission has completed its review and approved the *Draft Plan* for environmental review, Port staff will incorporate any revisions made by the Commission, as well as any typographical and grammatical corrections. Thereafter, a graphics consultant, hired by the Port, will assist the Port in creating new maps, illustrations and other graphics to enhance the *Draft Plan*, as revised.

Environmental Review and Adoption of the *Draft Plan*. The Port Commission cannot adopt a final *Waterfront Land Use Plan* until after the Environmental Impact Report (EIR) is completed for the project. The EIR is expected to be completed by the end of 1995. After the EIR is certified, the Port Commission can adopt the *Waterfront Land Use Plan* and forward: 1) conforming amendments to the City's *Master Plan* and City Planning Code for review and action by the Planning Commission and 2) conforming amendments to the Bay Conservation and Development Commission's plans and policies, for review and action by BCDC. Port Staff will work very closely with City Planning and BCDC staff over the next year to prepare proposed revisions to relevant planning documents to ensure consistency.

Conclusion. The public planning process sponsored by the Port to produce a *Waterfront Land Use Plan* has passed a major milestone with the conclusion of the intensive, three year planning effort undertaken by the Advisory Board. The Advisory Board has exhibited extraordinary dedication to this ambitious project and has impressed the Port and City with its forthright and open approach to receiving and deliberating all issues brought before it. The Port is grateful for their efforts and looks forward to continuing to carry forward the public spirit and enthusiasm that the Advisory Board members have brought to this challenging project. In addition, if the voters approve the proposed exemption to the Proposition H moratorium for the Ferry Building and Pier 52 projects, the Port Commission will have an excellent opportunity to begin to implement the *Waterfront Land Use Plan* at the earliest possible time.

Prepared by: Sharon Lee Polledri

SLP/fj/I:AGD7/26

PORT OF SAN FRANCISCO
WATERFRONT PLAN ADVISORY BOARD

ROBERT TUFTS, (Chair), Appointed by Mayor Art Agnos
- Attorney, Jackson, Tufts, Cole & Black
- Chair, Bay Conservation and Development Commission

KERMIT H. BOSTON, (Appointed by Supervisor Willie Kennedy)
- Senior Associate, BKB Associates
- National Society of Sales Training Executives
- Board of Directors, Black Executive Exchange
- Program of the National Urban League
- American Society Training and Development

ARTHUR BRUZZONE, (Appointed by Supervisor Annemarie Conroy)
- President, Sorel Investments
- Board of Directors, San Francisco Planning and Urban Research Association (SPUR)
- Producer and Co-host, "SF Politics", Viacom Channel 6

ANNE MARIE CERVANTES, Architect, Hardison, Komatsu, Ivelish & Turner
- Board of Directors, American Institute of Architects
- Society of Hispanic Professional Engineers
- San Francisco Hispanic Chamber of Commerce
- Galeria de la Raza
- 24th Street Revitalization Committee
- 24th Street Urban Design Advisory Group
- Coalition for Economic Equity

DENISE CONLEY, Principal, Keyser Marston Associates, Inc.
- Executive Board, California Association for Local Economic Development
- Rincon Point/South Beach Advisory Committee
- Alameda County Transportation Citizens Advisory Committee

JAMES C. ESCHEN, Former President, California Stevedore and Ballast Company (retired).
- Board of Directors, California Stevedore and Ballast Co.
- Pacific Maritime Associates
- Director, Marine Exchange

PATRICK J. FLANAGAN, President, Standard Fisheries Corporation
- Fisherman's Wharf Merchants Association
- Fisherman's Wharf Citizens Advisory Committee
- Chair, Finance Committee, Proposition M
- California Seafood Institute

MICHAEL GALLETTE, (Appointed by Supervisor Angela Alioto)
- Executive Director, Fisherman's Wharf Tenants Association
- Fisherman's Wharf Citizens Advisory Committee
- San Francisco Clean City Coalition
- Embarcadero Plaza Citizens Advisory Committee
- Producer of Festa Italiana

LESTER W. GEE, Architect, Brown, Raymond, Boulton & Szabo
- American Institute of Architects
- Formerly with Asian Neighborhood Design
- Active in Chinatown Housing and Community Issues

ROBERT HAGEDORN (Appointed by Supervisor Carole Migden)
- Attorney
- Former Acting Director, Earth Island Law Center
- Bar Association of San Francisco

D. CARL HANSON, (Appointed by Supervisor Jim Gonzales)
- Manager, Southwest Marine, Inc.
- Co-Chair, Waterfront Committee, S.F. Clean City Coalition
- Co-Chair, Golden Gate Park Bank
- Board of Governors, Society of Port Engineers, S.F. Bay
- President, Marine Exchange
- San Francisco Chamber of Commerce
- Board of Directors, South of Market Business Association
- San Francisco Port Strategic Plan Advisory Board
- Board of Directors, Propeller Club

TOBY LEVINE, Teacher, San Francisco Unified School District
- Member, San Francisco Planning Commission
- President, Mission Creek Conservancy
- Board Member, Mission Economic Development Association
- Former Board Member & Present Advisory Board Member, SPUR
- Former Co-Chair, Rincon Point/South Beach Advisory Committee

DENISE HINCKLE McCARTHY, Executive Director, Telegraph Hill Neighborhood Center
- Executive Committee, United Way Agencies
- SPUR Board of Directors
- National Neighborhood Coalition
- Fisherman's Wharf Citizens Advisory Committee
- Pier 45 Task Force
- Mayor's CAC for the Budget

RICHARD C. MILLET, Architect
- President, Potrero Boosters & Merchants Association
- Potrero League of Active Neighbors
- Coalition of San Francisco Neighborhoods
- SPUR
- Friends of San Francisco Library
- SOMBA

GEORGE MIX, Jr., Director, Bay Area Urban League, San Francisco Office
- Past Board Member, NAACP, San Francisco Office
- President of the Board of Directors of Bayview Hunters Point Opera House
- President, Western Addition Concerned Citizens Organization
- Commissioner, San Francisco Voter Registration
- Member, Booker T. Washington Committee
- Active in Ella Hill Hutch Senior Group
- Active in Bayview Hunters Point Merchants Association
- Active in OMI Neighborhood in Action Committee
- Active in New Bayview Committee

JANE MORRISON, (Appointed by Supervisor Sue Bierman)
- Vice Chair, San Francisco Social Services Commission
- Public Relations Chair and Board Member, League of Women Voters
- Former Lecturer, Mass Media Studies, University of San Francisco
- Former Community Affairs Manager, Editorial Director, Advertising and Promotion, Publicity and Merchandising Manager, KNBR Radio

STAN MOY, (Appointed by Supervisor Tom Hsieh)
- Architect, Finger & Moy Architects
- San Francisco Private Industry Council
- Asian American Architects & Engineers
- Planning Association for the Richmond District
- Former Commissioner, San Francisco Rent Board

PETER MOYLAN, (Appointed by Supervisor Roberta Achtenberg)
- Board, San Francisco Tomorrow
- Member, Richmond District Democratic Club

GEORGE ROMERO, (Appointed by Supervisor Terance Hallinan)
- International Longshoremen and Warehousemen's Union, Longshore Local 10
- Bay Area Longshoremens Memorial Association
- Fisherman's Wharf Merchants Association Board of Governors
- State Bar of California

NAN G. ROTH, (Appointed by Supervisor Harry Britt)
- Planner
- Member, SPUR
- Member, San Francisco Tomorrow
- Telegraph Hill Dwellers
- North Beach Neighbors
- Public Review Process for Embarcadero Parkway
- Fisherman's Wharf Citizens Advisory Committee, serving on sub Transportation and Pier 35 Committees

PAUL SEDWAY, (Appointed by Supervisor Barbara Kaufman)
- Principal, Sedway Cooke Associates
- Board of Directors, American Planning Association
- Board of Directors, Planning and Conservation League
- Board of Directors, Foundation for San Francisco's Architectural Heritage
- President, California Planner's Foundation
- Mayor Feinsteins's Waterfront Advisory Committee

MARINA V. SECCHITANO, Former Regional Director, Inlandboatmen's Union of the Pacific
- Maritime Trades Department, AFL-CIO
- Northern California District Council, ILWU
- San Francisco Labor Council

BOB TIBBITS, (Appointed by Supervisor Bill Maher)
- President, Telegraph Hill Dwellers
- Chairman, Mid-Embarcadero Open Space Committee
- Director, Friends of the Port
- Member, Citizens Advisory Committee for Fisherman's Wharf
- Member, Citizens Advisory Committee for The Embarcadero Plaza
- Member, Citizens Advisory for Terminal Separator/Transbay Terminal
- Member, Zoning & Advisory Task Force
- Telecommunications Consultant

JULIA VIERA, (Appointed by Supervisor Doris Ward)
- Executive Director, Friends of Islais Creek
- New Hunters Point Home Owners Association
- Past Board Member, New Bayview Committee
- Urban Creeks Council

TOM WALKER, West Coast Services Commercial Manager, Nedlloyd Lines

JAY S. WALLACE, (Appointed by Supervisor Shelley)
Litigation Attorney, O'Donnell & Pia
- San Francisco Bar Association
- Former Board Director, Mission YMCA

ESTHER "b" WOESTE, Independent Insurance Broker
- President, Golden Gateway Tenants
- San Francisco Housing & Tenants Council

PREVIOUS MEMBERS

SUE BIERMAN, Past President, San Francisco City Planning Commission
- San Francisco Democratic County Central Committee
- Chair, Mayor Feinstein's Committee for Housing on Poly High School Site
- Member of Board, Ecumenical Ministry of Haight/Ashbury (409 House)
- Friends of Yerba Buena Gardens
- Fisherman's Wharf Advisory Committee (Ex-Officio)

ROBIN CHIANG (Substitute for Julia Viera during her temporary leave)
- President, Group 4/Architecture-Research & Planning, Inc.
- Instructor, City College of San Francisco
- President, Board of Directors, Friends of Islais Creek
- Chair, Architecture Committee, New Hunters Point Home Owners Association
- Member, American Institute of Architects
- Member, Asian American Architects and Engineers
- Member, Chinese for Affirmative Action

DENNIS HERRERA, Maritime Attorney, Kelly, Cox, Wootton, Welch, Gill & Sherburne
- Treasurer, Marine Claim Agents Association
- World Affairs Council

BRIAN T. McWILLIAMS, Secretary/Treasurer, Ship Clerks' Association, ILWU
- South Beach Yacht Club Community Boating Project
- Rincon Point/South Beach Citizens Advisory Committee
- Member, Embarcadero Parkway Citizens Advisory Council
- South of Market Multi-Service Center Problem Solving Council
- Port of San Francisco Strategic Plan Advisory Committee

JACK MORRISON, Board, San Francisco Tomorrow
- Rincon Point/South Beach Advisory Committee
- Northeast Waterfront Advisory Committee
- Seaport Planning Advisory Committee

CURT A. RODBY, Vice President, Nedlloyd Lines (June - December 1991)

EMILY G. RODRIGUEZ, Director of Transportation, Esprit de Corps
- Council of Logistics Management
- Pacific Traffic Association
- Golden Gate University
- Star Project Employer

JACK SCOTT, (Appointed by Supervisor Bill Maher)
- Owner, Jack Scott & Assoc., Construction Company
- Director, Associated General Contractors
- Department of Public Works, Advisory Board
- Chamber of Commerce Code Committee
- Mayor's Committee on Affordable Housing
- Baseball Stadium Task Force

The Waterfront Plan Advisory Board

July 19, 1994

Robert R. Tuffs
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Paul Sedway
Bob Tibbits
Julia Viera
Tom Walker
Jay S. Wallace
Esther "b" Woeste

Preston Cook, President
San Francisco Port Commission
Ferry Building, Suite 3100
San Francisco, CA 94111

Re: Recommendations from the Waterfront Plan Advisory Board Regarding 1) a Draft Waterfront Land Use Plan, and 2) Hotels on Piers or Within 100 Feet of the Shoreline.

Dear Commissioner Cook:

As Chair of the Waterfront Plan Advisory Board to the Port Commission, it gives me great pleasure to transmit the Advisory Board's recommended Draft Waterfront Land Use Plan for the Commission's review and adoption. Enclosed, please find a Draft Executive Summary for the Draft Plan, and a redlined Draft Plan (dated June 20th) that incorporates substantive revisions made by the Advisory Board to the Preliminary Draft of the Plan released on June 6, 1994. In addition, a second recommendation regarding hotels on piers and within 100 feet of the shoreline is included in this transmittal, which is discussed further below.

The Draft Waterfront Land Use Plan (Draft Plan) is the culmination of the intensive three year public planning process that the Advisory Board conducted for the project. During that period, the Advisory Board members diligently studied maritime and other businesses and land uses that take place at the Port, the Port's development history and current land use and transportation trends affecting the waterfront, and the regulatory, financial and budgetary constraints under which the Port operates.

All of our 75 semi-monthly meetings were open to the public which, supplemented with numerous public workshops and neighborhood meetings, ensured maximum opportunities to hear the ideas and desires expressed by hundreds of people who share an interest in the future of the San Francisco waterfront. Together with the diverse interests directly represented by the Advisory Board members, the Draft Plan reflects a community consensus about

the future use and public enjoyment of Port lands. In the planning process, the Advisory Board determined that there is ample opportunity to meet a full range of public objectives at the Port by accommodating maritime, open space and public access, and other commercial and recreational uses. Among other policies, the Draft Plan:

- Provides for existing and future land use needs of cargo shipping, ship repair and related support activities by reserving approximately 480 acres of Port land, for these uses primarily along the southern waterfront.

- Promotes modernization of commercial fishing operations at Fisherman's Wharf, including new harbor facilities.

- Advocates restoration of the historic Ferry Building, to function as a regional transportation hub by encouraging commuter ferry, water taxi, airport shuttle and other waterborne transportation activities as well as other revenue-generating mixed uses.

- Identifies locations and encourages improvements for the cruise ship terminal, and provides additional sites for establishing excursion boat and water taxi docking facilities to increase public access and recreational activities that will attract people to San Francisco Bay.

- Promotes expansion of recreational boating and water use activities by designating the shoreline area adjacent to Mission Bay for expanded and improved public boat launch and recreational boating facilities, and identifies a number of new locations for transient boat docks for mariner visitors to San Francisco.

- Identifies a range of acceptable land uses for piers and inland properties that are no longer needed solely for maritime activities, that will revitalize and improve public enjoyment of the waterfront, and provide critical sources of revenue to fund maritime and public access improvements, and other Port operations such as maintenance and environmental clean-up.

- Establishes a framework for streamlining the process for reviewing, implementing and maintaining high standards for new developments. The revised implementation process incorporates early consultation with interested community representatives and staff of other applicable permitting agencies such as the Planning Department and the Bay Conservation and Development Commission.

As a separate matter from the recommendation on the Draft Waterfront Land Use Plan, the Advisory Board adopted a recommendation regarding pierside hotels, a copy of which is enclosed. As for the San Francisco voters, this specific land use proved to be the most contentious issue of our planning process, with the Advisory Board members almost evenly split on whether hotels should be allowed on piers or within 100 feet of the shoreline.

From the beginning of the planning process, the Advisory Board members agreed to discuss all possible land uses, regardless of existing regulations. In spite of the fact that pierside hotels are banned under Proposition H, it was believed that a rational and financially responsible land use plan could be developed only if there was a full discussion of all possibilities, including hotels. After several late night public meetings characterized by heated debate, the Advisory Board ultimately decided not to include pierside hotels within 100 feet of the shoreline as an acceptable use in the Draft Plan. However, in light of the level of divided opinion on this topic, the Advisory Board, by a vote of 16-3, adopted a compromise position for presentation to the Port Commission that is separate from the Draft Plan recommendation. That separate resolution identifies nine considerations or restrictions that should be incorporated into any development plans for hotels on piers or within 100 feet of the shoreline, if the Port Commission and the San Francisco voters approve such use.

In closing, I would like to personally convey to you my sense of satisfaction in being a part of this important civic project. I am extremely impressed with the energy, dedication and open minds exhibited by my colleagues on the Advisory Board, by the members of your staff whose contribution was invaluable, and by the community at large. I take great pride in telling you that we conducted a comprehensive and thorough planning process that incorporated public participation at every turn. As a result, the Draft Waterfront Land Use Plan recommendation is a blueprint for an exciting rejuvenation and celebration of the Port of San Francisco waterfront.

Sincerely,

Robert R. Tufts
Chair, Waterfront Plan Advisory Board

cc: Commissioner Anne Halsted, Vice President
Commissioner Francis J. O'Neill
Commissioner Frankie G. Lee
Members, Waterfront Plan Advisory Board

RT/do/l:execsum.l

DRAFT WATERFRONT LAND USE PLAN
RECOMMENDATION BY THE WATERFRONT PLAN ADVISORY BOARD
EXECUTIVE SUMMARY
July 1994

INTRODUCTION

The Draft Waterfront Land Use Plan summarized below provides recommended land use policy for all property under the jurisdiction of the Port of San Francisco, extending from the north end of Fisherman's Wharf to India Basin to the south. This Draft Plan is the product of an intensive, three year public planning process conducted by the Waterfront Plan Advisory Board.

The Waterfront Plan Advisory Board (Advisory Board) was created by the Port Commission to prepare and recommend a comprehensive land use plan for Port Commission adoption. The 27-member Advisory Board is a diverse group of individuals representing the Mayor, Board of Supervisors and Port Commission whose varied backgrounds reflect a broad range of perspectives and interests in the use of the Port's property, including maritime industry representatives, Port tenants, labor unions, neighborhood organizations, architects, urban planners and other professionals.

The Advisory Board conducted an intensive review of all matters affecting the development of land use policy for the waterfront during three years of twice-monthly public meetings. In addition, numerous other community workshops and public forums were held to maximize citizen input. Upon completing its evaluation of the myriad land use, regulatory, social, financial and other issues pertinent to the Port, the Advisory Board recommends a balanced Waterfront Land Use Plan that:

- Actively promotes continuation and expansion of industrial, commercial and recreational maritime activities;

- Promotes new open space and public access, as well as improvements to existing open spaces;

- Recognizes the Port's financial needs as an enterprise agency of the City and the role that revenue-generating uses play in enabling the Port to support maritime uses, open space and other public benefits, as well as provide entertaining activities that enhance public enjoyment of the waterfront;

- Provides flexibility by identifying a range of acceptable land uses for Port properties, that will allow the Port to quickly adapt to fluctuating economic, political, and social conditions that influence waterfront development.

- o Encourages more efficient use of the Port's underutilized facilities by allowing a broad range of interim uses;

- o Identifies City and regional land use policies and regulations that should be reassessed and modified, if necessary, to implement the Plan;

- o Establishes a framework for streamlining the entitlement process for new development projects;

CHAPTER 1: INTRODUCTION TO THE PORT

Most of the Port's property is former public tidelands, which is impressed with a "public trust" on behalf of all the people of California. The Port, as trustee of the property since 1969, is required to promote maritime commerce, navigation and fisheries, as well as to protect natural resources and develop recreational facilities for public use on these public lands.

The Port oversees a broad range of commercial, maritime and public activities that are integrated into the local, regional, national and international economy. Most of the Port's existing finger piers north of China Basin were built in the early 1900's to support break-bulk cargo shipping, shipbuilding and fishing industries. Over time, the introduction of container shipping and other technological and economic changes in the cargo industry, and the reduction in U.S. shipbuilding and repair operations have marked the decline of industrial maritime uses north of China Basin. These operations now are concentrated in the southern waterfront, south of Mariposa Street. Today, cruise, excursion boat, ferry, recreational boat and other maritime uses, as well as some commercial and industrial activities occupy portions of the piers north of China Basin. However, many of the Port's facilities are deteriorating, requiring increasingly more costly improvements that inhibit the Port's ability to fully utilize its property and the public's access to the waterfront.

The Port's public trust responsibilities and requirements for maintaining its aging facilities impose a substantial financial burden that is exacerbated by the unique financial and budgetary framework within which the Port operates. Unlike other local agencies, the Port receives no financial support from the City, and relies almost solely on revenues from property under its stewardship to fund maritime, public access and open space improvements, maintain property and meet its administrative expenses. Over time, increases in the maintenance costs have outpaced growth in revenues. Increasingly restrictive interpretations of land use regulations over the last 10 years also have contributed to the Port's financial difficulties by limiting land use and development opportunities. In addition, the recent departure of a number of shipping lines, has played a role in the financial difficulties the Port now is facing, leading to a net loss of 36 jobs at the Port. These changes have increasingly limited the Port's ability to undertake important capital improvement projects, and sustain maintenance

and other administrative functions. Although, the Port is undertaking a number of corrective actions to address this serious situation, the Draft Plan also will help the Port enter the 21st century as a stronger enterprise agency of the City, by providing a framework for the stewardship of the Port's property - its greatest resource.

In spite of these recent setbacks, there are many positive and exciting changes that have occurred or are underway along the waterfront that promise new opportunities for use and public enjoyment of the Port waterfront. The Draft Plan seeks to build upon these changes. For example, the demolition of the Embarcadero Freeway and construction of the Waterfront Transportation Projects will establish new transportation connections in a newly landscaped and beautified setting that reunites the City with its waterfront. The Port, together with the citizenry of San Francisco, are now confronted with the challenge of reshaping the edge of this great City. The visions embodied in the Waterfront Land Use Plan provide a place for almost everything San Franciscan's desire. With open minds, constructive criticism and cooperative spirit, San Franciscans will create a blueprint for action that will be a credit to this generation of San Franciscans for years to come.

CHAPTER 2: GOALS OF THE WATERFRONT LAND USE PLAN

Preparation of the Draft Plan has been guided by six goals that will enable the Port to achieve the Waterfront Plan's overarching goal of ***reuniting the City with its waterfront*** through implementation of the Draft Plan.

A Working Waterfront: *Port lands should continue to be reserved to meet the current and future needs of cargo shipping, fishing, cruises, ship repair, ferries and excursion boats, recreational boating and other water-dependent activities.*

A Revitalized Port: *New investment should stimulate the revitalization of the waterfront, providing new jobs, revenues, public amenities and other benefits to the Port, the City and the State.*

A Diversity of Activities and People: *Port lands should host a diverse and exciting array of maritime, commercial, civic, open space, recreation and other waterfront activities for all San Franciscans and visitors to enjoy.*

Access Along the Waterfront: *A network of parks, plazas, walkways, open spaces and integrated transportation improvements should improve access to, and enhance the enjoyment and appreciation of, the Bay environment.*

An Evolving Waterfront, Mindful of its Past and Future: *Improvements should respect and enhance the waterfront's historic character, while also creating new opportunities for San Franciscans to integrate Port activities into their daily lives.*

Urban Design Worthy of the Waterfront's Setting: *The design of new developments should be of exemplary quality and should highlight visual and physical access to and from the Bay, while respecting the waterfront's rich historic context and the character of neighboring development.*

CHAPTER 3: GENERAL LAND USE POLICIES

The Draft Plan provides opportunities for seven categories of land uses summarized below. Chapter 3 defines these use categories and presents general land use policies that apply to any site on which those activities currently exist or could be developed in the future. Chapter 3 also identifies unacceptable non-maritime land uses for the Port property within 100 feet of the shore.

Maritime Uses - The Draft Plan actively promotes the continuation and expansion of maritime uses and support services at the Port. Plan policies encourage provision of visual or physical public access to maritime facilities, where feasible, to enhance the public's understanding of maritime operations.

Transitional Maritime Sites - Piers 15-17, 19-23, 27-29, located north of Broadway in the northeast waterfront, currently are used as cargo-related facilities (a shipping terminal, foreign trade zone and general cargo warehouses). In light of industry trends and changing land use patterns in the area, these facilities are not likely to continue in maritime use over the long-term and have been designated as Transitional Maritime sites. General policies for the Transitional Maritime sites specifically encourage continued maritime use of the facilities for as long as feasible. However, if it becomes infeasible to operate any of these facilities exclusively in maritime use, the Draft Plan promotes relocating these facilities at the Port and instead providing a mix of maritime, commercial, recreational and public access uses on these northeastern sites. General policies include specific criteria that must be considered by the Port before determining that a Transitional Maritime site is no longer viable exclusively for maritime activities.

Open Spaces and Public Access - General policies in the Draft Plan promote creation and maintenance of, and improvements to, waterfront public access and open spaces by establishing a "PortWalk" as new development occurs that maximizes connections along, and to the Bay, and implement the regional Bay Trail. Similarly, the provision of varied and significant forms of public access (e.g. physical access as well as visual and other forms of non-physical access) is a high priority of the Draft Plan. Other general policies promote public facilities (e.g. restrooms, information kiosks, small-scale retail convenience sales) that enhance the enjoyment and use of open spaces and public access areas. The Draft Plan acknowledges and discusses the need for financial assistance to create new open spaces and public access. General policies therefore encourage efforts to obtain open space funds whenever possible, and to link

the creation of new open spaces and public access to new revenue-generating developments.

Residential Use - Residential use opportunities are restricted to a number of the Port's inland properties ("seawall lots"), mainly north of China Basin, if the properties are not required to support maritime activities on adjacent piers. General policies for Residential uses encourage ground floor retail uses to maintain pedestrian activity in the area, and call for design measures that ensure an appropriate building scale and site orientation.

Commercial Uses - The Draft Plan provides for a broad range of commercial land use opportunities which differ for piers and seawall lots. General policies strongly encourage commercial activities on piers as part of a mix of uses that includes maritime operations (e.g. cruise, excursion, ferries, historic ships), and integrated public access improvements that highlight the waterfront. Other general policies call for seeking revenue-generating uses in new developments to help fund public amenities and Port operations; maximizing economic opportunities for minority and women-owned businesses, non-profit and small businesses; promoting the use of public transit and minimizing new parking requirements, particularly for sites north of China Basin; and ensuring a high standard in the design of new developments.

Other Uses - Other uses are allowed on a limited basis for specific sites: Power Plants (including co-generation facilities), Transit Facilities, Sports Facilities with 22,000 or fewer seats, Community Facilities, and Public Academic Institutions. General policies for Public Academic Institutions are included in Chapter 3, which encourage programs that are open to the public on a fee basis, and which require a detailed campus plan prior to development. There are no general policies indicated for the other four uses in Chapter 3, however site-specific development standards for these activities are included in Chapter 4, Area Objectives.

Interim Uses - The Draft Plan introduces specific policies for interim uses on Port property, which to date have never been consistently defined. The Port's mounting financial needs and inventory of underutilized facilities, combined with the need to reserve property for long-term maritime uses, dictate the development of clear policy to guide the interim use of Port property. The Draft Plan proposes interim use policies for three different areas of the Port, which are described further below: areas north of China Basin within BCDC's 100 foot shoreline band, seawall lots north of China Basin, and property south of China Basin. The main distinguishing factor for these areas is maximum allowable term for interim uses.

> Areas North of China Basin and Within BCDC's 100 Foot Shoreline Band - Allows interim uses generally for five years and, in exceptional cases up to 10 years within or on existing structures, requiring only minor repairs. Interim uses are those activities permitted in C-2 ("Community Business") zoning districts,

except for uses that could present a particular threat to the environment or would pose nuisances or hazards to residents in nearby residential districts.

Seawall Lots North of China Basin - Allows interim uses generally for five years and for additional five year terms if the use is compatible with surrounding activities, with provisions for early termination of the lease by the Port if necessary. The interim uses are intended primarily to be open air uses. General policies discourage any construction of structures except for temporary or easily removable enclosures (e.g. carnival tents, converted railcars). The allowable interim uses, and the conditions which must be met for such uses, are the same as for the Shoreline Band interim use policies.

Areas South of China Basin - Allows interim non-maritime uses generally for one to 10 years, with exceptions for 20 to 30 years, given the uncertain timeframe for full utilization of the Port's container terminals and the general decline of the ship repair industry. General policies encourage interim open air uses that do not require large capital improvements, and other uses such as general warehousing, where the capital improvements for new structures ultimately may be re-used for maritime purposes. To the extent interim uses require longer terms, the general policies call for establishing procedures for determining that such interim uses will not undermine the Port's future maritime business opportunities. The range of allowable interim uses are those permitted in M-1 and M-2 ("Light Industry" and "Heavy Industry") zoning districts.

Unacceptable Non-Maritime Land Uses - The Draft Plan identifies the following unacceptable non-maritime long-term uses for piers or Port property within 100 feet of the shoreline: 1) private clubs, 2) residential, 3) sports facilities with seating capacity greater than 22,000, 4) non-accessory parking (e.g. public parking garages) except interim parking, 5) adult entertainment; 6) non-marine animal services, 7) mortuaries, 8) heliports, 9) oil refineries, 10) hotels.

CHAPTER 4: AREA OBJECTIVES

Chapter 4 describes Draft Plan objectives for five areas of the Port's waterfront, identifies acceptable uses by individual site location, and presents site-specific development standards to guide improvements to existing activities and new development of maritime, open space, and commercial or other uses. The key land use objectives for each of the five areas are summarized below.

Fisherman's Wharf Waterfront - The Fisherman's Wharf Waterfront extends from the swimming club docks at the east end of Aquatic Park to the east side of Pier 39. The Draft Plan objectives for this area place priority on the restoration and expansion of the fishing industry, including commercial and sport fishing, and fish handling and distribution operations. However, the Draft Plan also recognizes the need to attract

revenue-generating new uses to help support and subsidize the fishing industry which has been harmed by environmental degradation of the fisheries, more stringent industry standards, and other factors that have caused a decline in the fishing industry. To address those objectives, the Draft Plan emphasizes the importance of the Port's fish-handling modernization improvements at Pier 45 and plans for a new Hyde Street Harbor, which may be complemented with a Fisheries Center and retail activities to enhance public access and Wharf activities. In addition, the Draft Plan allows adaptive, interim non-maritime uses in under-utilized facilities in Fish Alley, while also providing some short-term activities in this historic area.

The Fisherman's Wharf objectives also encourage other maritime uses in the area, as well as maintenance of a diverse array of uses that reflect the status of the area as a major visitor attraction, while also providing activities that increase the appeal of the area to local residents. The uses allowed by the Draft Plan that will accomplish those objectives include a Fisheries Center, continuation of the Hyde Street Pier historic ship museum, visiting ceremonial ships, ferries and excursions, retail and maritime offices, and new public assembly and entertainment opportunities. Finally, there are other objectives that call for enhancing the public access and open space program, and providing efficiently planned parking and loading facilities in Fisherman's Wharf, which will improve the overall appearance, circulation and public enjoyment of this popular area. The Draft Plan includes development standards that would allow consideration of limited commercial uses on the Triangle site (SWL 301) and Pier 43-1/2 in order to provide incentives for introducing open space and public access amenities on these sites.

Northeast Waterfront - The Northeast Waterfront extends from Pier 35 to Pier 7. The Draft Plan objectives for this area call for maximizing opportunities for retaining maritime operations. This objective protects existing cargo-related operations in Piers 15-17, 19-23, 27-29, but recognizes that the likely consolidation over time of cargo operations in the southern waterfront will give way to other maritime business opportunities such as excursion boats, historic ship and other berthing, and recreational boating and water use. The objective to activate the area with an array of daytime and nighttime uses that appeal to locals as well as visitors derives from the fact that there currently are few people-oriented activities in the area. The Draft Plan proposes numerous commercial and public use possibilities that would complement commercial and recreational maritime operations to enliven and increase public enjoyment in the area, in the event that current industrial maritime operations relocate to the southern waterfront. Other objectives guide new development, in order to protect and enhance the historic maritime character of the area, encourage new developments to highlight gateways to North Beach and Chinatown, and Fisherman's Wharf, and provide public access amenities that highlight newly created points of interest.

Ferry Building Waterfront - The Ferry Building Waterfront extends from the Pier 5 bulkhead building to the site of the future Rincon Park, at the south end of the Embarcadero promenade. The Draft Plan objectives for this area call for preservation and restoration of historic structures, particularly the Ferry Building and former U.S. Agriculture Building. Regarded as the centerpiece of the waterfront, the Ferry Building is a City landmark, and together with the Agriculture Building, is listed on the National Register of Historic Places. The area objectives support continued and enhanced maritime operations to promote waterborne commute and recreational travel and enjoyment, and further encourage the restoration of the area as a major intermodal transit center for the downtown and City. To complement ferry, excursion boat, water taxi, historic ship berthing and recreational boat moorings, the mix of other commercial and public uses with these maritime activities should emphasize the civic importance of the area. New uses, such as a visitor center, public market, conference facilities, retail, together with ferry and other operations, should draw people into the Ferry Building and surroundings, thus establishing the area as a destination in its own right.

In the course of undertaking such improvements, the Draft Plan objectives emphasize the importance of ensuring that the Ferry Building and environs are physically and visually integrated with their spectacular City and Bay settings, thus reestablishing the area as a gateway to the City. This includes extending the PortWalk through the area, which will provide more convenient, direct and aesthetically pleasing public access connections to open space and the Bay. In addition, new developments will have to provide efficiently planned parking and loading facilities to serve new activities in the area. The high costs of historic renovation of the Ferry Building and other architectural and historic structures in the area will require a mix of public and private resources, in order to achieve an appropriate quality and mix of uses. Given its historic significance and central downtown location, the Ferry Building Waterfront offers perhaps the best opportunity for a successful public and private partnership to provide new public amenities, jobs and other benefits to the Port, the City and the region.

South Beach/China Basin Waterfront - The South Beach/China Basin Waterfront extends from Pier 22-1/2, just north of the Bay Bridge, to Mariposa Street, south of China Basin. The Draft Plan objectives for this area support the continuation and rationalization of existing maritime activities in the area, and improvement of those maritime uses that provide focal points for public enjoyment of the waterfront. Although many of the piers are deteriorated and no longer support the industrial maritime uses that once dominated the area, there still are a number of small maritime-related businesses scattered among different facilities that could be consolidated. These businesses, in addition to South Beach Harbor at Pier 40 and enhanced recreational boating and water use facilities south of China Basin will maintain a prominent maritime presence in the area. New development ventures promise additional opportunities for commercial and recreational maritime activities

that, mixed with other publicly-oriented activities such as nighttime entertainment, family amusement activities and other commercial and residential uses on inland seawall lots, will clean up and make the South Beach waterfront more inviting and safe than current conditions. At the same time, it is recognized that the introduction of new attractions to enhance public enjoyment of the waterfront must be balanced with the needs of adjacent South Beach residents. Given the number of vacant piers in the area, the objectives call for high standards in the design of new structures that give rise to a new architectural identity for the South Beach shoreline. In addition, new public access improvements created as part of new development will extend a PortWalk throughout the area and provide a unifying pedestrian connection between South Beach and Mission Bay.

Southern Waterfront - The Southern Waterfront extends from Mariposa Street to India Basin. The Draft Plan objectives highlight the importance of the area as the heart of the Port's industrial maritime operations. Much of the area is undeveloped, and the Port's two container terminals at Piers 80 and 94/96 have operated well below capacity for many years. Although cargo shipping in the Bay Area is projected to increase fourfold by 2020, there are many variables that will determine where that business will take place. The Draft Plan objectives encourage efforts to maximize the utilization of the Port's existing cargo terminal facilities, including offering preferential use by selected ocean carriers. In addition, the objectives support interim use of property reserved for maritime expansion to maximize the productivity of Port assets. To increase economic return from these properties, the Draft Plan proposes allowing longer term interim uses (generally 1-10 years with exceptions for 20 or 30 years to amortize capital improvements), in light of the uncertainty regarding the timeframe for any expansion of cargo facilities in San Francisco. In addition, there is one undeveloped area in the southern waterfront which is unlikely to be useful for maritime purposes. The Draft Plan therefore includes an objective to consider non-maritime land use developments that would be beneficial to the Port and compatible with maritime activities in areas that are surplus to long-term maritime needs, which could generate revenues needed to support maritime operations and capital improvements.

While industrial and maritime uses dominate the southern waterfront, other land use objectives for the Southern Waterfront call for the preservation and restoration of the historic Union Iron Works Buildings to revitalize an area that survives as an example of San Francisco's ship building and repair industry. Another objective encourages the reservation or improvement of areas for wetland habitats, and passive and active recreational use of public access and open spaces in the area (Warm Water Cove, Islais Creek, Pier 94, Pier 98, India Basin).

CHAPTER 5: IMPLEMENTATION

The Draft Waterfront Land Use Plan is intended to serve as a balanced and implementable land use plan for the use and development of the Port of San Francisco waterfront. Port property has been the subject of numerous past planning efforts. Waterfront land uses are regulated by Master Plan policies and legislative controls at local, regional and state levels. To the credit of those earlier efforts, there have been many positive advances in environmental quality, urban design standards, and transportation, public access and open space improvements. However, there are a number of increasingly restrictive legal interpretations of existing waterfront regulations and complex entitlement process requirements that have severely limited opportunities for economic revitalization of the waterfront, an issue that is central to the goal of an implementable land use plan for the Port. Chapter 5 therefore addresses implementation of the Plan on two levels:

a) The Plan's goals, objectives and policies will be incorporated into public policy and waterfront regulations under the jurisdiction of the San Francisco Planning Commission and San Francisco Bay Conservation and Development Commission (BCDC) that govern waterfront land use through a legislative process. This will entail a reassessment of a number of existing policies, including those governing interim uses, replacement fill under BCDC, and non-conforming use policies.

b) Improvements on the waterfront, consistent with the Plan, will be realized through a streamlined, site-specific development process, which includes soliciting early and ongoing community input, and up-front, integrated review by all applicable regulatory agencies. In addition, revisions are proposed to the Planning Commission's conditional use permit process.

Financial Implications of the Waterfront Land Use Plan - The Waterfront Plan Advisory Board, recognizing the Port's financial needs and the economic benefits it brings to the City and the region, decided from the outset to develop a Plan that allows the port to maintain a sound and diverse economic and fiscal structure, while continuing to provide for the needs of San Francisco's maritime industries, and for new public access, open space and other public benefit waterfront projects. Towards that end, a financial and economic impact analysis was conducted for a mix of possible land use scenarios under the Plan. Upon thoroughly evaluating the results, the Advisory Board concluded that the type and level of and uses that could result from the Plan would, in aggregate, be only of marginal feasibility from a financial standpoint, yet would yield significantly better financial results than more limited development opportunities under existing land use and regulatory conditions. The Advisory Board determined that additional strategies will be necessary to supplement the potential revenue benefits derived from the Waterfront Land Use Plan, including seeking outside funds, possibilities for new regional or shared organizational and budgeting arrangements

such as a regional port system, further operational improvements, projections against transfer of Port funds to the City 's General Fund, and possible Port retention of tax revenues paid by Port tenants.

The Need for a Flexible Plan - In light of the Port's financial condition, and the rapid changes which occur in its maritime and non-maritime operations, an important conclusion was reached by the Advisory Board: the Draft Waterfront Land Use Plan must be flexible. In permitting a variety of appropriate uses to be located on Port properties, the Port will be more readily able to respond to market conditions and development opportunities as it balances the needs of existing tenancies, community concerns and management objectives, and thus more effectively manage its property than in the past. This will be carried out within a framework of streamlined and coordinated land use policies, controls, and processes shared by the Port, the San Francisco Planning Commission, the San Francisco Bay Conservation and Development Commission, and the State Lands Commission.

DO/fj/I:EXECSU1

WATERFRONT PLAN ADVISORY BOARD

Resolution on Hotels

May 1994

If the Port of San Francisco proposes hotels on piers, and the voters approve hotels on piers, the Waterfront Plan Advisory Board respectfully recommends these considerations and restrictions:

1. Propose a pier hotel only after completion of a market analysis which shows that a hotel is economically viable and will provide significantly more income to the Port than other uses more open to the general public.

2. In addition to a hotel on Pier 40 (Redevelopment Agency lease), limit pier hotels to one or two, considering the second only if the first one proves to be appropriate from a functional, urban form, public access and environmental standpoint -- and provides significant financial support to the Port's maritime and open space activities.

3. Require any hotel to be an integral part of a water-oriented, mixed use project that serves the general public.

4. Require high quality architectural design for any hotel and related development on piers to be structures the people of the City can admire and enjoy.

5. As in other development, keep in mind the need to reflect the City's ethnic and economic diversity -- in business opportunities, employment and access to public facilities and activities. Give priority to San Francisco residents to be hired for the majority of jobs in construction and operation of the hotel.

6. Require maximum feasible public access to the ground floor of the hotel with largest possible water views. Require all restaurants to be open to the public. Encourage public conference and meeting rooms with water views.

7. Hotel construction shall be limited to 50' in height.

8. Hotel projects are to be of a height, scale, density and exterior design which respect and enhance the surrounding waterfront area, except as height limits are restricted elsewhere herein.

9. Provide public open space on the pier along the water.

AC/fj/l:Hotel

SAN FRANCISCO PORT COMMISSION

July 26, 1994
Regular Meeting

The minutes for this meeting are missing

SAN FRANCISCO
PORT COMMISSION

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REGULAR MEETING
4:00 P.M., AUGUST 9, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - July 26, 1994 Special Meeting

   The minutes of the July 26, 1994 Regular Meeting will be presented for approval at the next meeting.

3. **EXECUTIVE**

   A. Executive Director's Report

4. **TENANT & MARITIME SERVICES**

   A. Approval of Marine Terminal Agreement with Norsul Internacional S.A. for Use of Pier 94/96. (Resolution No. 94-107)

   B. Approval of Lease with Pier 32 Market Inc. for Pier 30-32 (Resolution No. 94-108)

   C. Approval of Amendment to Lease with Beth Aharon Day School for Land and Auto Storage at Seawall Lot 337 on Terry Francois Blvd. across from Pier 52. (Resolution No. 94-109)

   D. Approval of Month-to-Month Lease for the Bounty Restaurant at Cargo Way and Jennings Street. (Resolution No. 94-110)

   E. Approval of Standard Form Lease Modification. (Resolution No. 94-111)

   F. Approval of Amendment to Lease Parameters regarding Maximum Lease Terms for the Fisherman's Wharf Seafood Center at Pier 45 (Resolution No. 94-112)

   G. Approval of Month-to-Month Rent for commercial fishing gear storage in Shed Space. (Resolution No. 94-113)

5. **FACILITIES & OPERATIONS**

6. **PLANNING & DEVELOPMENT**

7. **ADMINISTRATION**

8. **CONSENT CALENDAR**

   A. Approval of Amendment to Lease with Olive Oil's Restaurant at Pier 50. (Resolution No. 94-115)

B. Approval of Lease with Deni Leonard Associates for Office Space in World Trade Center. (Resolution No. 94-116)

C. Approval of Lease to San Francisco Trial Lawyers at World Trade Center. (Resolution No. 94-117)

D. Approval to execute Professional Services Contract No. SA 3920019, "Asbestos Abatement Oversight and Consultation Services," Phase II with Galson Corporation to accommodate Pier 70, Building 111, Earthquake Repair Design for $35,810. (Resolution No. 94-118)

E. Authorization to accept construction Contract No. 2592, "Drydock and Overhaul of Fireboat Phoenix," with Bay Ship and Yacht Company, for a final contract cost of $164,576. (Resolution No. 94-119)

9. **NEW BUSINESS**

10. **EXECUTIVE SESSION**

A. An executive session has been calendared for the Port Commission to discuss the status of the following litigation cases:

Kirp v. CCSF, Superior Court No. 944-722
Kenealey v. CCSF, Superior Court No. 949-476

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

B. Conference with Real Property Negotiator
Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

C. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

11. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

PORT OF SAN FRANCISCO

MEMORANDUM

July 28, 1994

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of three-year Marine Terminal Agreement with Norsul Internacional S.A. for use of Pier 94/96

DIRECTOR'S RECOMMENDATION: RESOLUTION TO APPROVE THE THREE-YEAR MARINE TERMINAL AGREEMENT WITH NORSUL INTERNACIONAL S.A. FOR USE OF PIER 94/96

Norsul Internacional S.A. of Rio de Janeiro, Brazil has signed a contract to move their Bay Area operations to Pier 96 in San Francisco from Howard Terminal in Oakland. They offer service between Brazil and El Salvador in Latin America and the U.S. West Coast on a monthly basis.

Norsul's decision to move to the Port of San Francisco was based on the service that we are able to offer, namely access to undercover storage for their breakbulk and coffee shipments.

Staff has negotiated a three year Marine Terminal Agreement with Norsul who will use the South Container Terminal. Under the terms of the Agreement, Norsul will pay discounted wharfage and dockage according to the rate scale in effect for small and medium sized lines. A special termination clause has been included in the contract to cover the Port and Carrier interests in the event that Stevedoring Services of America (SSA), the current management contractor, resigns as a result of Evergreen's expected move in July of 1995 and the Port is unable to locate another management contractor. It is anticipated that new revenue to the Port will be approximately $85,000 per year.

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

THIS PRINT COVERS CALENDAR ITEM NO. 4A

i:...\cargo\wp\agenda\norsul\tyl

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-107

WHEREAS, City owns certain property located in the City and County of San Francisco pursuant to an act of the legislature of the State of California commonly known as the "Burton Act" (Statutes 1968, Chapter 1333); and

WHEREAS, Pursuant to the Burton Act and the City's Charter, Port exercises jurisdiction and control over said property; and

WHEREAS, Carrier wishes to use a portion of said property which has been improved with a marine terminal for the purpose of moving waterborne cargo through the Port; and

WHEREAS, Port desires to have Carrier use the property for said uses, with said uses being consistent with the public trusts upon which the property is held;

RESOLVED, that the San Francisco Port Commission has approved the three-year Marine Terminal Agreement with Norsul Internacional S.A. and has authorized the Executive Director (i) to enter into such an agreement, (ii) make any necessary refinements to the agreement without making any substantive changes to the agreement and (iii) file the agreement with the Federal Maritime Commission.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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Fax 415 274 0528
Cable SFPORTCOMM
Writer

August 9, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Amendment to Lease for Land with Beth Aharon Day School Used for Auto Storage at Seawall Lot 337 on Terry Francois Boulevard Across from Pier 52

DIRECTOR'S RECOMMENDATION: APPROVE AMENDMENT TO LEASE WITH BETH AHARON DAY SCHOOL

Beth Aharon Day School ("Tenant") presently leases 6,000 square feet of unpaved land at SWL 337 for $.15 per square foot, or $900 per month, pursuant to a month-to-month lease (No. 11941). Tenant uses this land for storage of autos which it sells by auction to support the operation of its day school. Tenant now needs additional land for this purpose and has negotiated an amendment to its lease which adds 39,574 square feet to the Premises. The proposed terms of the amended lease are as follows:

Premises:	45,574 square feet of unpaved land
Term:	Month-to-month
Rent:	$6,000 per month
Rate:	$ .132 per square foot

The proposed rent represents an increase over the existing rent of $5,100 per month, or $61,200 annually.

Commission approval is required because the rental rate is below the standard lease parameters of $.15 per square foot. Staff believes that the proposed rental rate represents the fair market value of the proposed premises because of the location of the site in the Southern waterfront, the unimproved condition of the site, the size of the site, and its irregular configuration.

THIS PRINT COVERS CALENDAR ITEM NO. 4C

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-109

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for an amendment to Lease 11941 with Beth Aharon Day School as Tenant; therefore, be it

RESOLVED, That the Port Commission hereby approves the business terms of that certain lease which are set forth in the Memorandum of Agenda Item 4C for the Commission meeting on August 9, 1994 and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____

Secretary

PORT OF SAN FRANCISCO **MEMORANDUM**

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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Fax 415 274 0528
Cable SFPORTCOMM
Writer

August 4, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Adoption of Negative Declaration and Approval of Lease with Pier 32 Market, Inc. at Pier 30-32 for an Arts and Crafts Market.

DIRECTOR'S RECOMMENDATION: ADOPT NEGATIVE DECLARATION AND APPROVE THE LEASE WITH PIER 32 MARKET INC.

BACKGROUND

On February 8, 1994 the Port Commission authorized staff to negotiate a lease regarding a pilot program for a weekend arts and crafts market on Piers 30-32. On March 22, 1994, the Commission selected Pier 32 Market, Inc. as the operator of the pilot program, and authorized staff to enter into exclusive lease negotiations with Pier 32 Market Inc. A fee of $25,000 for this exclusive right to negotiate was required, and this fee has been paid by Pier 32 Market, Inc. Award of the lease was conditioned upon Pier 32 Market Inc. obtaining required environmental determinations.

A lease has now been negotiated with Pier 32 Market, Inc. which contains terms consistent with their offer presented to the Commission on March 22. The required environmental evaluation has been completed, and a Preliminary Negative Declaration has been issued. It is expected that the Negative Declaration will be finalized on August 5, 1994, allowing the award of the lease. Opening of the Market is targeted for the weekend of August 27, 1994.

THIS PRINT COVERS CALENDAR ITEM NO. 4B

Attached are copies of the Preliminary Negative Declaration (Attachment 2) and the mitigation monitoring plan (Attachment 3). A copy of the Final Negative Declaration will be forwarded to the Commission as soon as it is issued.

Proposed Lease

The business terms of the proposed lease are as follows:

Premises:	Approximately 367,269 sq. ft. of open pier space on Pier 30-32, as shown on Attachment 1 hereto.
Term:	Approximately 16-1/2 months, commencing upon issuance of a BCDC permit and terminating January 2, 1996. At Port's option the lease may be extended on a month-to-month basis to allow for a continuous operation should the Port require additional time to complete a bid process.
Rent:	$28,800 per month base rent versus 7% of gross revenues received by Tenant, except for weekday uses (see below).
Deposits:	Cash deposit of $57,600, representing first and last month's rent. Additional security deposit of $172,000 (may be a security instrument).
Use:	The primary use will be an open air arts and crafts market, which will operate on weekends and holidays. Additional complimentary uses will include food and beverages (alcoholic beverages limited to beer and wine), free entertainment (including street performers, clowns, mimes, children's play areas, music, and art shows), historical or educational exhibits, and volleyball and basketball courts.
Weekday Use:	Special events will be allowed on non-holiday weekday evenings after 7:00 p.m., subject to Port approval and provided Tenant pays additional rent of $500 per day versus 10% of gross revenues received by Tenant for such special uses.

Improvements: Tenant is responsible for installing and maintaining all improvements. Tenant will provide uniform display space in tents and outdoor booths. Any vendor-provided booths must be approved by the Tenant's Review Board and the Port's building department.

Maintenance: Tenant's sole responsibility (except substructure).

Merchandising: Tenant will establish a Review Board to pre-qualify vendors and products for sale. Merchandise will be primarily original arts and crafts and prepared foods for consumption at the market. No produce and secondhand goods (except quality antiques) will be permitted.

Physically disabled vendors may sell mass-produced items as approved by the Review Board on an individual basis. Up to 10% of the vendors may sell manufacturer overruns and seconds with Review Board approval, provided the merchandise does not compete directly with merchandise sold by area retailers.

The Port Director has the ability to terminate the sale or performance of illegal or patently offensive products or entertainment.

Miscellaneous: Security. Tenant will provide 24-hour on-site security.

Parking and Traffic. Tenant will provide off-premises parking with a capacity of 695 vehicles and free shuttle service to parking lots.

Affirmative Action. Tenant's affirmative action plan, applying to both employment and contracting by Tenant, is incorporated as a material part of the lease.

Prepared by: Kirk Bennett, Acting Director
Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-108

WHEREAS, on February 8, 1994, by Resolution No. 94-21 the Port Commission authorized Staff to negotiate a lease for an arts and crafts market pilot program on Piers 30-32; and

WHEREAS, on March 22, 1994, by Resolution No. 94-50, the Port Commission authorized Staff to negotiate exclusively with Pier 32 Market, Inc. for said lease, subject to Pier 32 Market Inc. obtaining required environmental determinations prior to the award of said lease; and

WHEREAS, Pier 32 Market Inc. has agreed to enter into a lease with terms which are consistent with the offer approved by the Commission in Resolution 94-50; and

WHEREAS, On July 15, 1994, the Department of City Planning issued for public review a preliminary negative declaration, case #94.262E, for the proposed arts and crafts market on Pier 30/32, San Francisco, California, and on August 5, 1994, the negative declaration was finalized by the Department of City Planning; now, therefore be it

RESOLVED, That this Port Commission has considered and reviewed the final negative declaration and adopts said final negative declaration, and hereby finds and determines that the proposed arts and crafts market at Pier 30/32, with mitigation measures as specified in the final declaration, will have no significant impact on the environment, and adopts and incorporates herein by reference thereto the findings of the final negative declaration, case #94.262E, issued by the Department of City Planning, a copy of which is on file with the Secretary of the Port Commission; and be it

FURTHER RESOLVED, That this Port Commission adopts Attachment 3 to the Memorandum for Agenda Item 4B for the August 9, 1994 Port Commission meeting, Mitigation Monitoring Program, as

part of the project approval to ensure that mitigation measures specified in the final negative declaration are carried out; and be it

FURTHER RESOLVED, That the San Francisco Port Commission approves the lease of approximately 367,269 square feet of Piers 30-32 to Pier 32 Market, Inc. on Pier 30-32 in accordance with all the terms and conditions outlined in the Memorandum for Agenda Item 4B for the August 9, 1994 Port Commission meeting, and authorizes the Executive Director to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994

_____

Secretary

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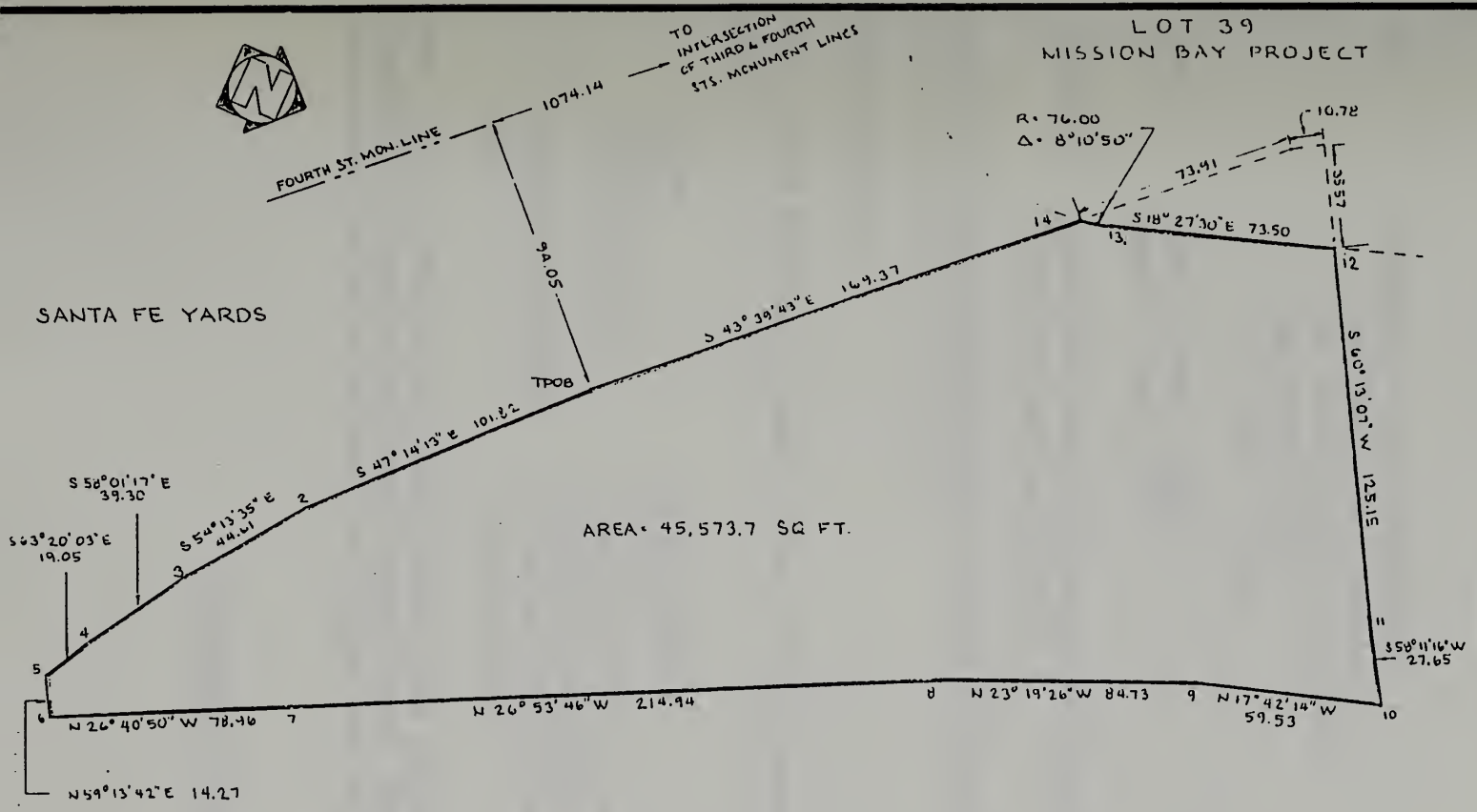
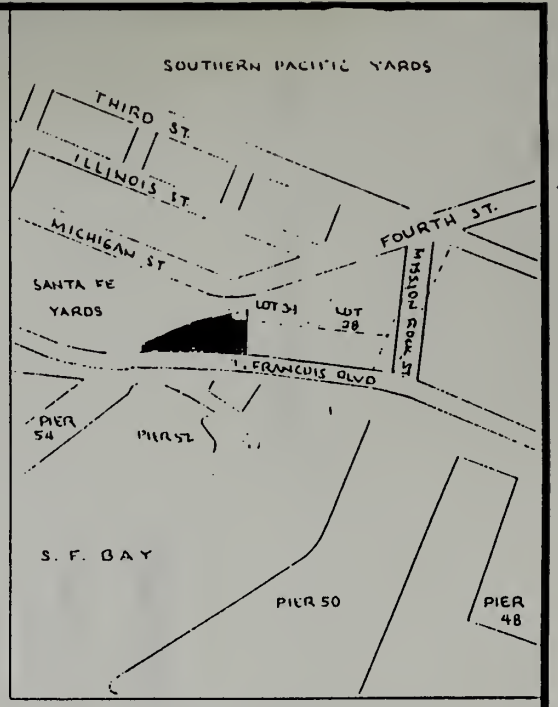
LOT 39
MISSION BAY PROJECT





THE SITE
SCALE NONE

SCALE 1"=40'

NOTES

1. DISTANCES SHOWN ARE GROUND DISTANCE
2. BEARINGS ARE BASED ON BEARING N 2°10'56"W OF THE THIRD STREET MONUMENT LINE

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

_____
CHIEF HARBOR ENGINEER

SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

EXHIBIT

BETH AHARON DAY SCHOOL

DESIGNED BY:	CHECKED BY:
DRAWN BY: ECC	DATE: JULY 19 1994
CONTRACT NO.	SCALE: AS SHOWN
DRAWING NO.	SHEET NO. OF SHEETS

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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Writer

MEMORANDUM

August 9, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of a Month-to-Month Lease with Bradford Hallett for Bounty Restaurant at Cargo Way and Jennings Street.

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH BRADFORD HALLETT FOR BO'S BOUNTY RESTAURANT.

BACKGROUND

Mr. Bradford Hallett has proposed to lease the Bounty Restaurant at Pier 96 on the following terms:

TERM:	Month-to-Month
AREA:	3,210 sq. ft.
MINIMUM RENT:	$1,444.50 ($.45/sq. ft.) per month, which is 33% more than the current rent.
PERCENTAGE RENT:	8% for food; 10% for bar and all other sales.
USE:	Bar and Restaurant.

Since this is a retail use, the Retail Leasing Policy adopted by the Port Commission by Resolution 93-52 requires that this lease be put out to bid. However, staff believes that special circumstances exist in this case which weigh against now bidding this lease. The previous

operators of the Bounty recently filed personal bankruptcy and have given notice to terminate their month-to-month lease. At the same time, they presented Mr. Hallett as a prospective buyer of their business, and he applied to the Port to lease the facility. Staff has reviewed Mr. Hallett's application and business background, and has determined that he is qualified.

Due to its location, the Bounty depends heavily upon the cargo workers and truckers using Pier 96 for its business. With the present uncertainty about the level of support that the terminal will provide this business, it is not practical to now put this lease out to bid . Staff believes that it would be more appropriate to wait to bid this lease until the situation at Pier 96 becomes clearer. In the interest of maintaining the revenue flow from the facility during the interim and to provide protection from the vandalism that a vacant facility invites, Staff recommends approving Mr. Hallett's month-to-month lease until such time as bidding a longer term lease for the Bounty Restaurant is appropriate. Mr. Hallett clearly understands that his tenancy would be month-to-month only, and that no other rights are promised or implied.

Prepared by: Kirk Bennett, Acting Director
Tenant & Maritime Services

I:\users\agendas\bounty.mem\July 29, 1994\HCW\jef

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO.94-110

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered and exclusively by the operating forces of the Port Commission; and

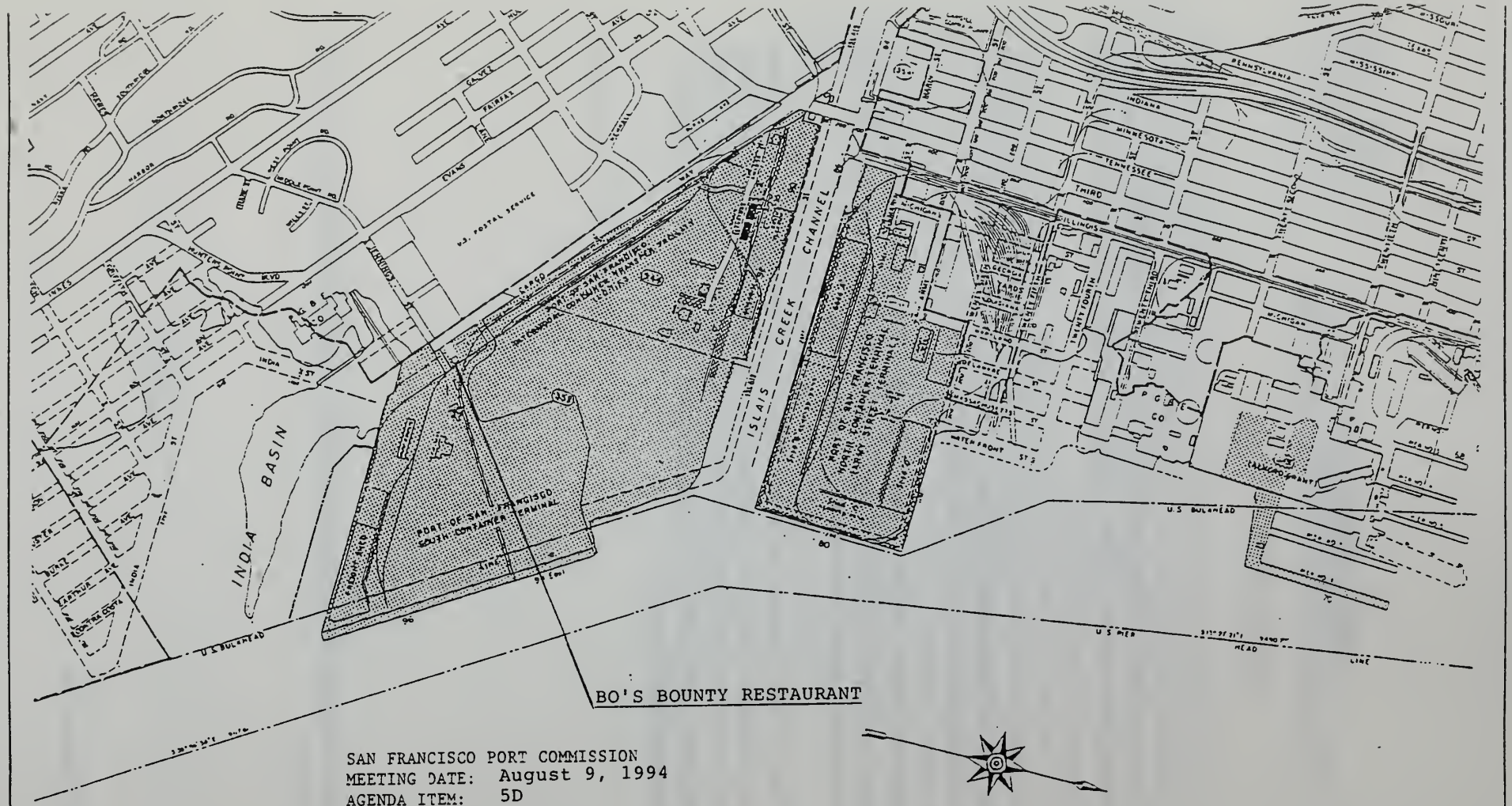
WHEREAS, Bradford Hallett desires to lease from the Port and the Port desires to lease to Bradford Hallett approximately 3,210 square feet bar and restaurant space at Pier 96; now therefore be it

RESOLVED, That the Port Commission hereby approves the business terms of the lease with Bradford Hallett as described in the Memorandum for Agenda Item 4D regarding the August 9, 1994 Commission meeting and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____
Secretary

I:\users\tenant\agendas\bounty.mem\HCW\jef\July 29, 1994



SAN FRANCISCO PORT COMMISSION
MEETING DATE: August 9, 1994
AGENDA ITEM: 5D
RESOLUTION NO: 94-110

Jan 29, 1993

ENGINEERING - Graphics & Drafting Section

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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Writer

MEMORANDUM

August 9, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Authorization to Modify Standard Form Lease.

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE EXECUTIVE DIRECTOR TO MODIFY HAZARDOUS MATERIALS PROVISION OF STANDARD FORM LEASE.

On September 8, 1993, by Resolution No. 93-127, the Port Commission approved a Standard Form Lease and certain leasing parameters. The Port Commission also authorized Port staff to execute leases on behalf of the Port without prior Commission review provided that these leasing parameters are met and provided that the Standard Form Lease is utilized with no changes except for minor changes approved by the City Attorney. Any change to the Standard Form Lease which significantly alters the Port's responsibilities or liabilities requires the Port Commission's review.

During the past year the Port staff has requested approval from the Port Commission to modify Sections 16.2, 16.3 and 20.3 of the Standard Form Lease ("the Hazardous Materials Language") for several specific lease transactions. In these instances, the prospective tenants refused to execute the lease because of the Hazardous Materials Language, and the Port staff determined that the lease transactions were sufficiently beneficial to the Port to amend this language. In each instance, the Port Commission agreed with this determination and approved the modification of the Hazardous Materials Language.

THIS PRINT COVERS CALENDAR ITEM NO. 4E

The Hazardous Materials Language in the Standard Form Lease, as shown on the attached Exhibit A, requires the Tenant to be responsible for the handling of "all Hazardous Materials discovered on the Premises during the Term," regardless of the source. This would include any pre-existing hazardous materials. The only exception would be hazardous materials introduced on the Premises by the Port during the Term. Staff requests that the Port Commission authorize the Executive Director at his discretion to approve modification of the Hazardous Materials Language for future lease transactions as also shown on Exhibit A. With this modification of the Hazardous Materials Language, the Tenant would be responsible for only hazardous materials introduced on the Premises during the lease term, excluding any hazardous materials introduced by the Port.

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-111

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, and regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted are made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, In order to improve the Port ability to respond in a timely fashion to the demands of the commercial leasing market by expediting the processing of leases, the Port Commission adopted a Standard Form Lease by Resolution No. 93-127 ; and

WHEREAS, In order to further improve the Port ability to respond in a timely fashion to the demands of the commercial leasing market by expediting processing of the lease, the Commission desires to further delegate leasing authorities to Staff; and therefore be it

RESOLVED, That the Port Commission hereby delegates to the Executive Director the authority to approve modification of the Standard Form Lease, as set forth in Exhibit A to the Memorandum of Agenda Item 4E for the Port Commission Meeting on August 9, 1994.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____
Secretary

I:\...\agendas\hazmat.mem\KB\cp\July 29, 1994

EXHIBIT "A"

HAZARDOUS MATERIALS LANGUAGE

STANDARD FORM

16.2 Tenant Responsibility. Subject to the restrictions set forth in Section 16.1 hereof, Tenant shall Handle all Hazardous Materials discovered on the Premises during the Term of this lease or introduced on the Premises by Tenant, its Agents, or Invitees, in compliance with all Environmental Laws. Tenant shall not be responsible for the safe Handling of Hazardous Materials introduced on the Premises during the Term of this Lease by City, Port or their Agents. Tenant shall protect its employees and the general public in accordance with all Environmental Laws. Port may from time to time request, and Tenant shall be obligated to provide, information reasonably adequate for Port to determine that any and all Hazardous Materials are being Handled in a manner which complies with all Environmental Laws. Port shall have the right to inspect the Premises for Hazardous Materials at reasonable times, pursuant to Section 25.1 hereof.

16.3 Requirement to Remove. Prior to termination of this Lease, Tenant, at its sole cost and expense, shall remove any and all Hazardous Material introduced in, on, under or about the Premises by Tenant, its Agents or Invitees. Further, Tenant, at its sole cost and expense, shall remove any Hazardous Material discovered on the Premises during the Term of this Lease which is required to be removed by any governmental agency, including Port; provided, however, that Tenant shall not be obligated to remove any Hazardous Material introduced onto the Premises during the Term of this Lease by the City, Port, or their Agents. Prior to the termination of this Lease, Port and Tenant shall conduct a joint inspection of the Premises for the purpose of identifying Hazardous Materials existing on the Premises which Tenant is required to remove.

20.3 Hazardous Materials Indemnification. Tenant shall indemnify, defend and hold Port, City and their Agents harmless from any and all claims, judgements, damages, penalties, fines, costs, liabilities or losses which arise during or after the Term of this Lease as a result of the Handling of Hazardous Materials on the Premises by Tenant, its Agents or Invitees, including without limitation, all costs of investigating and remediating the same, damages for diminution in the value of the Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, damages arising from any adverse impact on marketing of any such space and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees.

This indemnification of Port and City by Tenant includes, but is not limited to, costs incurred in connection with any investigation of site conditions or any clean-up, remediation, removal or restoration work requested by Port or required by any federal, state or local governmental agency or political subdivision because of Hazardous Materials present in the soil or groundwater in, on or under the Premises or in any Improvements. Without limiting the foregoing, if the presence of any Hazardous Material in, on, under or about the Premises caused or permitted by Tenant results in any contamination of the Premises, Tenant, at its sole expense, promptly shall take all action that is necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Material in, on, under or about the Premises; provided that Port approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions could not potentially have any material adverse effect upon the Premises. Tenant's obligations hereunder shall survive the termination of this Lease.

EXHIBIT "A"

HAZARDOUS MATERIALS LANGUAGE

PROPOSED MODIFICATION (The Proposed Modifications are in Italics.)

Section 16.2 (Tenant Responsibility) amended to read as follows:

16.2 Tenant Responsibility. Subject to the restrictions set forth in Section 16.1 hereof, Tenant shall Handle all Hazardous Materials ~~discovered on the Premises during the Term of this lease or introduced on the Premises by Tenant, its Agents, or Invitees,~~ *introduced on the Premises during Tenant's occupancy of the Premises*, in compliance with all Environmental Laws. Tenant shall not be responsible for the safe Handling of Hazardous Materials introduced on the Premises during ~~the Term of this Lease~~ *Tenant's occupancy of the Premises* by City, Port or their Agents. Tenant shall protect its employees and the general public in accordance with all Environmental Laws. Port may from time to time request, and Tenant shall be obligated to provide, information reasonably adequate for Port to determine that any and all Hazardous Materials are being Handled in a manner which complies with all Environmental Laws. Port shall have the right to inspect the Premises for Hazardous Materials at reasonable times, pursuant to Section 25.1 hereof.

16.3 Requirement to Remove. Prior to termination of this Lease, Tenant, at its sole cost and expense, shall remove any and all Hazardous Material introduced in, on, under or about the Premises ~~by Tenant, its Agents or Invitees.~~ *during Tenant's occupancy of the Premises.* ~~Further, Tenant, at its sole cost and expense, shall remove any Hazardous Material discovered on the Premises during the Term of this Lease which is required to be removed by any governmental agency, including Port; provided, however, that Tenant shall not be obligated to remove any Hazardous Material introduced onto the Premises during the Term of this Lease by the City, Port, or their Agents.~~ Prior to the termination of this Lease, Port and Tenant shall conduct a joint inspection of the Premises for the purpose of identifying Hazardous Materials existing on the Premises which Tenant is required to remove. *Tenant shall not be responsible for the removal of Hazardous Materials introduced on the Premises during Tenant's occupancy of the Premises by City, Port or their Agents.*

20.3 Hazardous Materials Indemnification. Tenant shall indemnify, defend and hold Port, City and their Agents harmless from any and all claims, judgements, damages, penalties, fines, costs, liabilities or losses which arise during or after the Term of this Lease as a result of the Handling of Hazardous Materials on the Premises by Tenant, its Agents or Invitees, including without limitation, all costs of investigating and remediating the same, damages for diminution in the value of the Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, damages arising from any adverse impact on marketing of any such space and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees.

This indemnification of Port and City by Tenant includes, but is not limited to, costs incurred in connection with any investigation of site conditions or any clean-up, remediation, removal or restoration work requested by Port or required by any federal, state or local governmental agency or political subdivision because of Hazardous Materials present in the soil or groundwater in, on or under the Premises or in any Improvements *which Hazardous Materials were introduced on the Premises during Tenant's occupancy thereof by any party other than Port, City or their Agents.* Without limiting the foregoing, if the presence of any Hazardous Material in, on, under or about the Premises caused or permitted by Tenant results in any contamination of the Premises, Tenant, at its sole expense, promptly shall take all action that is necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Material in, on, under or about the Premises; provided that Port approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions could not potentially have any material adverse effect upon the Premises. Tenant's obligations hereunder shall survive the termination of this Lease.

PORT OF SAN FRANCISCO

Ferry Building
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Fax 415 274 0528
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Writer

MEMORANDUM

August 9, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Amendment to Leasing Parameters Regarding Maximum Lease Term for the Fisherman's Wharf Seafood Center at Pier 45.

DIRECTOR'S RECOMMENDATION: APPROVE AMENDMENT TO LEASING PARAMETERS.

On September 8, 1993, the Port Commission by Resolution No. 93-127 delegated authority to the Executive Director to approve and execute leases on behalf of the Port, provided the terms of said leases met certain parameters. These pre-approved parameters established minimum rental rates for different types of facilities and uses and set a maximum lease term of five years.

Construction of the last phase of the Pier 45 Earthquake Repair Project is now underway. This construction project includes the restoration of industrial shed space for fish processing facilities in Sheds B and D of Pier 45. This restoration constitutes one component of the long planned Fisherman's Wharf Seafood Center.

THIS PRINT COVERS CALENDAR ITEM NO. 4F

Marketing of this space to fish processors is also underway. This marketing began with existing fish processors on Port property and has included non-Port tenants. Prior to commencing this marketing program, an extensive market rate and demand analysis was conducted by Sedway & Associates to establish the appropriate market rents and lease terms for the fish processing space in Sheds B and D. This market study included a survey of all publicly owned port facilities used for fish processing throughout California, privately owned industrial facilities in Northern California leased by fish processors, and industrial space in San Francisco and the Greater Bay Area which represent leasing alternatives for fish processors.

This study by Sedway & Associates recommended monthly rental rates per square foot of $.45 - $.55 for shed space, plus $.15 for apron space. It also recommended lease terms of 5-10 years to allow for amortization of the extensive improvements that the fish processors need to make in Sheds B and D. These leasing factors are consistent with the Leasing Parameters approved by the Port Commission, except for the lease term which is limited to a maximum of five years.

To date, the marketing of the space in Sheds B and D has resulted in six leases having been sent for signature to prospective tenants. One of the leases has been signed and returned. All of the remaining prospective tenants have requested a 10-year lease term. This is consistent with promises made by the Port in the past that fish processors leasing space in Sheds B and D would be offered longer term leases to allow them sufficient time to amortize their improvements.

Approval is therefore requested from the Port Commission to amend the Leasing Parameters to give Port staff authority to execute leases for fish processing in Sheds B and D of Pier 45 with a maximum lease term of 10 years. "Fish processors" are defined to include entities whose business involves fish processing, fish receiving, fish handling or fish wholesaling.

Prepared by: Kirk Bennett, Acting Director
Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-112

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, and regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted are made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, In order to improve the Port's ability to respond in a timely fashion to the demands of the commercial leasing market by expediting the processing of leases, the Port Commission adopted Leasing Parameters by Resolution No. 93-127 ; and

WHEREAS, A market study has determined that lease terms for fish processors in Sheds B and D at Pier 45 should be for a maximum of ten (10) years; therefore be it

RESOLVED, That the Leasing Parameters approved by the Port Commission pursuant to Resolution No. 93-127 shall be amended to permit a maximum lease term of ten (10) years for fish processors leasing space in Sheds B and D of Pier 45

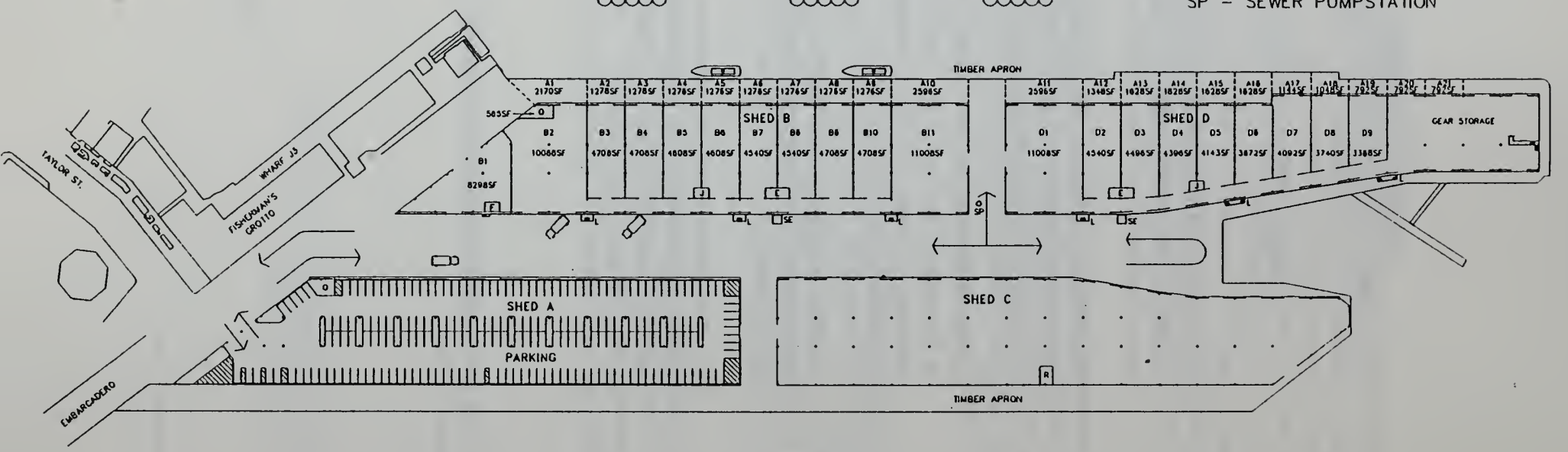
I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____
Secretary

I:\...\agendas\sheds.p45\KB\cp\July 29, 1994

KEY:

E – ELECTRICAL ROOM
F – FIRE PUMP ROOM
J – JANITOR
L – ENTRANCE LANDING WITH STAIRS
O – OFFICE
R – RESTROOM
SE – ELECTRICAL SUBSTATION
SP – SEWER PUMPSTATION



SITE PLAN

NO SCALE

PORT OF SAN FRANCISCO

FISHERMAN'S WHARF SEAFOOD CENTER

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

August 9, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Month-to-Month Rents for commercial fishing gear storage.

DIRECTOR'S RECOMMENDATION: APPROVE RECOMMENDED MONTH-TO-MONTH RENTS FOR COMMERCIAL FISHING GEAR STORAGE IN SHED SPACE.

As indicated in the preceding Memorandum for Agenda Item 4F, on September 8, 1993, the Port Commission by Resolution No. 93-127 delegated authority to the Executive Director to approve and execute leases on behalf of the Port, provided the terms of the leases meet certain parameters, including minimum rental rates. As also indicated in the preceding memorandum, construction of the last phase of the Pier 45 Earthquake Repair Project at Pier 45 is underway.

Currently, a number of commercial fishing boats berthed at Fisherman's Wharf rent storage space on a month-to-month basis at the north end of Shed D at Pier 45 for storage of fishing gear. This storage primarily involves nets and crab pots, which are stored during the off season. Construction work in Shed D is expected to commence in November 1994, and the fishing gear in Shed D will therefore need to be temporarily relocated during this construction. The restoration of Shed D provides for gear storage at the north end of Shed D after the repair is completed, which is expected to occur in May, 1995.

THIS PRINT COVERS CALENDAR ITEM NO. 4G

To provide for the temporary relocation of this fishing gear storage, shed space has been offered in other Port sheds, including Piers 26 and 28. The current monthly rental rate for gear storage space in Shed D is $.20 per square foot, while the approved Leasing Parameters require a minimum monthly rental rate of $.35 per square foot for shed space. A market survey conducted of other publicly owned fishing harbors on the West Coast found that the rental rates for gear storage at these facilities is less than $.20 per square foot. As a result, Staff recommends that the Port Commission authorize the Executive Director to execute new month-to-month agreements for commercial fishing gear storage in shed space at minimum monthly rental rates of $.20 per square foot. This rental rate would only apply to fishing boats berthed at Fisherman's Wharf.

Prepared by: Kirk Bennett, Acting Director
Tenant and Maritime Services

I:\...\agendas\storage.shd\KB\cp\July 29, 1994

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-113

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, and regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted are made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, It is necessary to provide fairly priced shed space for fishing gear storage to commercial fishing boats berthed on Port property; and

WHEREAS, A rental survey has been conducted of gear storage space at other publicly owned fishing harbors on the West Coast; and

RESOLVED, That the Port Commission authorizes the Executive Director to execute month-to-month rental agreements for commercial fishing gear storage in shed space at minimum monthly rates of $.20 per square foot.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____
Secretary

I:\...\agendas\storage.shd\KB\cp\July 29, 1994

PORT OF SAN FRANCISCO

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MEMORANDUM

July 29, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Amendment to Lease for Olive Oil's Restaurant at Pier 50

DIRECTOR'S RECOMMENDATION: APPROVE AMENDMENT TO LEASE FOR OLIVE OIL'S RESTAURANT

Ricci Cornell and Clarice LaCau have a three-year lease, which commenced December 15, 1993, to operate Olive Oil's Restaurant at Pier 50 (#L-11792). The premises consist of 2,287 sq. ft. of restaurant and bar space. The base rent is $2,144.30 per month (or $.94 per sq. ft.) versus percentage rent calculated at 8% of gross food sales and 10% of bar and all other sales.

This proposed lease amendment adds 1,132 sq. ft. of outside deck space to the premises. The monthly base rent for this additional space is $203.76 (or $.18/per sq. ft.), retroactive to June 1, 1994. In addition to increasing the base rent, the addition of this outdoor eating area should also increase sales, thereby increasing percentage rental payments to the Port. The space is located directly behind the restaurant and could not practically be rented to another tenant.

THIS PRINT COVERS CALENDAR ITEM NO. 8A

The proposed rental rate per sq. ft. exceeds the minimum rental rate of $.15 per sq. ft. for open areas included in the Leasing Parameters approved by the Commission. However, these Leasing Parameters do not apply to retail uses, and Port Commission approval of this amendment is therefore required.

Prepared by: Kirk Bennett, Acting Director
Tenant & Maritime Services

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-115

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered and exclusively by the operating forces of the Port Commission; and

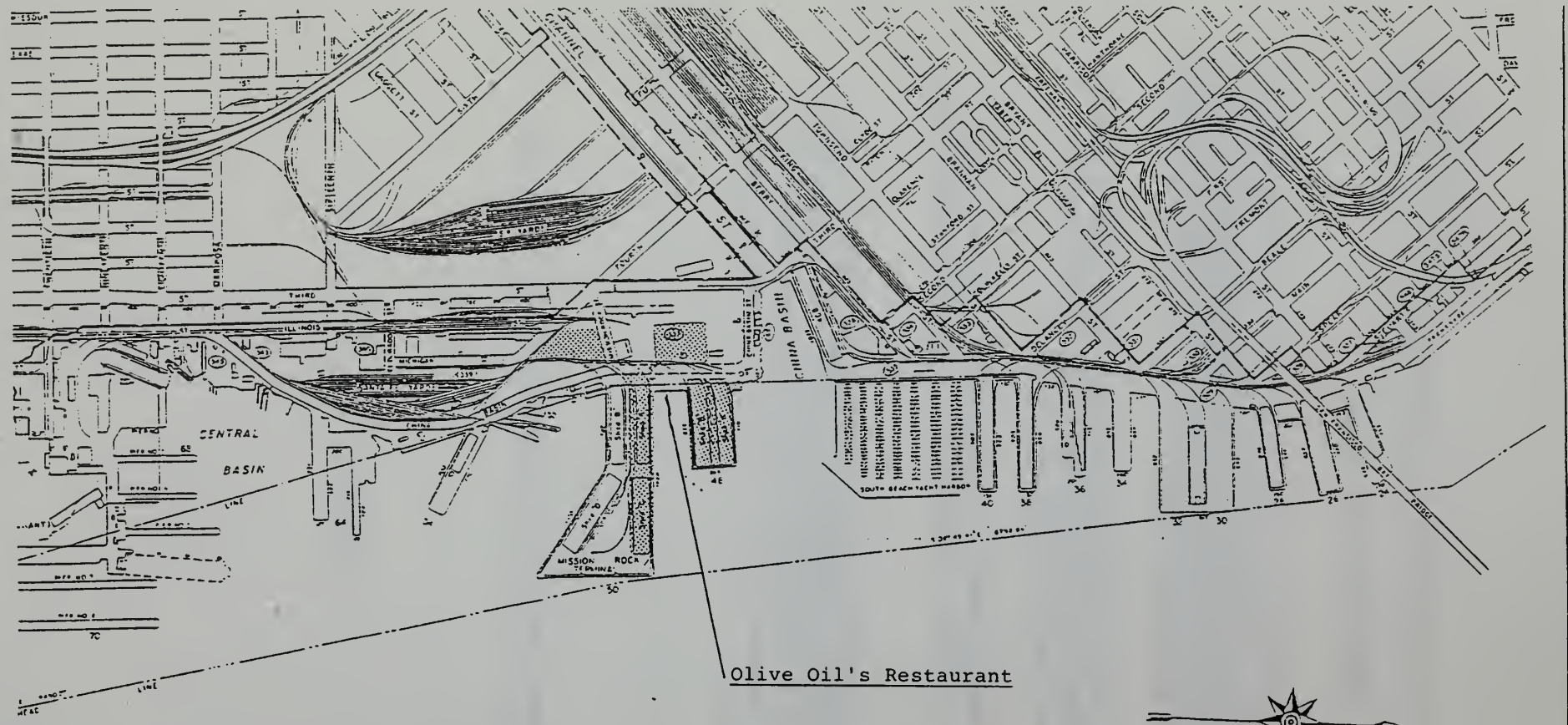
WHEREAS, Olive Oil's Restaurant leases space at Pier 50 for a Bar and Grill and desires to amend said lease to add 1132 square feet to the premises; now, therefore be it

RESOLVED, That the Port Commission hereby approves the amendment to Lease L-11792 for Olive Oil's Restaurant as described in the Memorandum to Agenda Item 8A for the August 9, 1994 Commission meeting and authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____

Secretary



SAN FRANCISCO PORT COMMISSION
MEETING DATE: August 9, 1994
AGENDA ITEM: 9A
RESOLUTION NO: 94-115

Jan 29, 1993

ENGINEERING - Graphics & Drafting Section

PORT OF SAN FRANCISCO

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MEMORANDUM

July 29, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Lease with DLA Financial, Inc. for the World Trade Center.

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH DLA FINANCIAL, INC.

Staff has negotiated a two-year lease with DLA Financial, Inc. (whose principal is Deni Leonard) for Suite 122 of the World Trade Center, which contains 1,712 s.f. of office space. The proposed monthly rent is $1,712, or $1.00 per sq. ft., and the anticipated commencement date is September 1, 1994. Required tenant improvements include painting, a new interior door and carpeting, for which a tenant credit of $4,280 ($2.50 per sq. ft.) is to be granted. This rental credit is to be amortized over five months at $856.00 per month. The miminum monthly rent for the space, according to the Leasing Parameters approved by the Commission, is a blended rate of $1.11 per sq. ft.

This first floor suite in the World Trade Center is very narrow and is comprised of interior and streetside space. It has a serious ventilation problem, which is to be corrected through a major cleaning of the ventilation duct system. The lease provides for a discounted rate of $1,400 per month for the space until the duct cleaning is completed, which is projected to occur approximately two months after lease commencement.

THIS PRINT COVERS CALENDAR ITEM NO. 8B

Staff recommends that the Commission approve this lease even though the proposed rent is less than that required by the preapproved Leasing Parameters because this suite has a difficult to use layout and has been vacant for four years. Staff further believes that this is a favorable offer considering the constraint of maximum lease terms now allowed for the Ferry Building/World Trade Center.

Prepared by: Kirk Bennett, Acting Director
Tenant & Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-116

WHEREAS, Charter section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco;

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, DLA Financial, Inc. desires to lease from the Port and the Port desires to lease to DLA Financial, Inc. approximately 1,712 square feet in Suite 122 at the World Trade Center; now therefore be it

RESOLVED, That the Port Commission hereby approves the business terms of the proposed lease with DLA Financial, Inc. as described in the Memorandum of Agenda Item 8B for the August 9, 1994 Commission meeting, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____
Secretary

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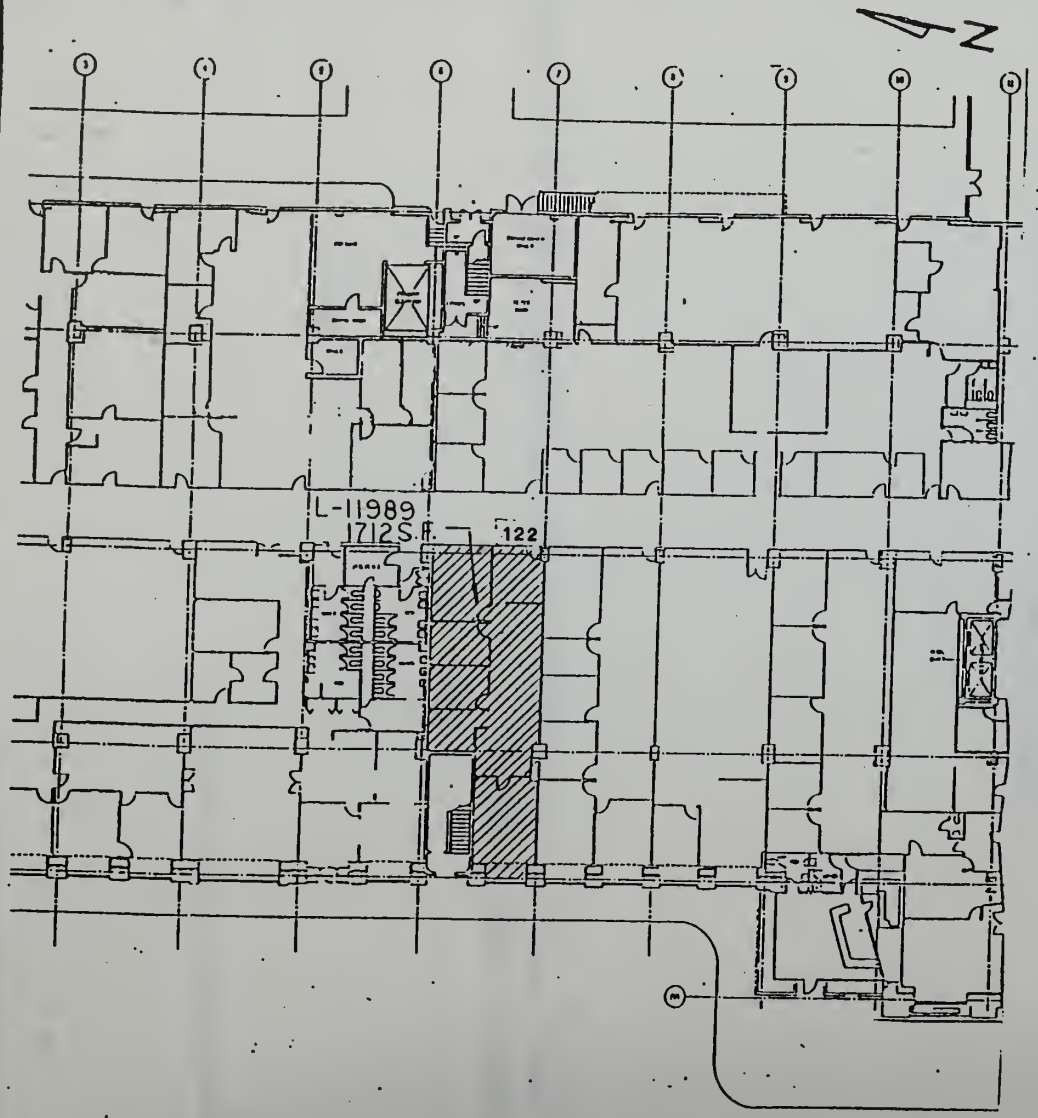
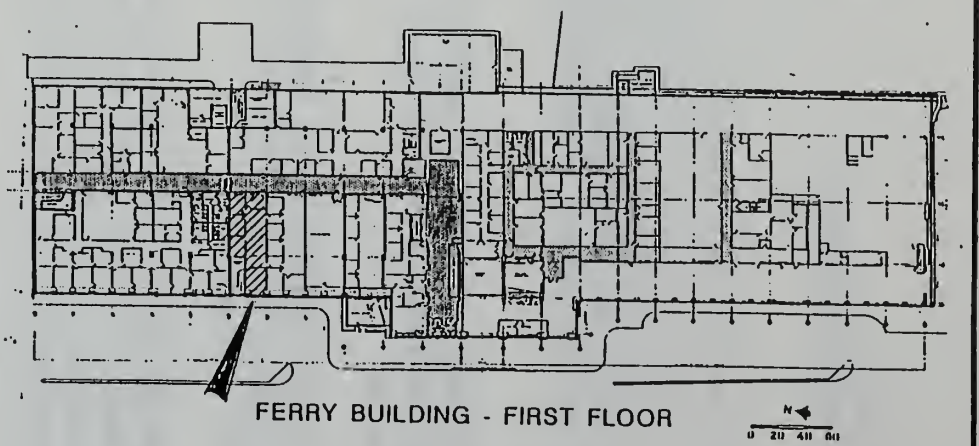


FERRY BUILDING

FIRST FLOOR – NORTH



FERRY BUILDING - FIRST FLOOR

LOCATION PLAN

Contract No.

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE

CHIEF ENGINEER

NO.	DATE	DESCRIPTION

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

DLA FINANCIAL, INC.

IN CHARGE OF	CHECKED BY
MADE BY R.C.	DATE 7-29-94
TRACED BY	SCALE
DRAWING NO. 2740-1-0122	SHEET NO. 122 OF SHEETS

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
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Writer

July 29, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Lease with San Francisco Trial Lawyers for the World Trade Center

DIRECTOR'S RECOMMENDATION: APPROVE THE LEASE WITH SAN FRANCISCO TRIAL LAWYERS

BACKGROUND

Staff has negotiated a month-to-month lease with San Francisco Trial Lawyers for Suites 206 and 207 in the World Trade Center, which contain 829 square feet of office space. The lease is to commence October 1, 1994. The tenant has offered to pay monthly rent of $1,033.00, or $1.25 per sq.ft., which is the maximum permitted by their budget. Required tenant improvements include painting and carpeting, for which a rent credit of $2,073 ($2.50 per sq. ft.) is to be granted. This rent credit is to amortized over six months at $345.50 per month.

The premises consist of a combination of streetside, interior and storage space, which has been vacant for over a year. The lowest monthly rent for such space, according to the Leasing Parameters approved by the Commission, is a blended rate of $1.35 per sq. ft.

San Francisco Trial Lawyers is an existing tenant occupying 520 sq. ft. of interior space in the World Trade Center at $535.60 per month ($1.03 per square feet). They need larger office space

and will move from the building if the Port cannot accommodate them within their budget. Staff recommends that the Port Commission approve this lease so as to retain this tenant and increase revenue by $5,969 per year. Leasing space in the World Trade Center/Ferry Building to new tenants is expected to become increasingly difficult because the planned renovations to the building and the resulting need to limit lease terms.

Prepared by: Kirk Bennett, Acting Director
Tenant & Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-117

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco;

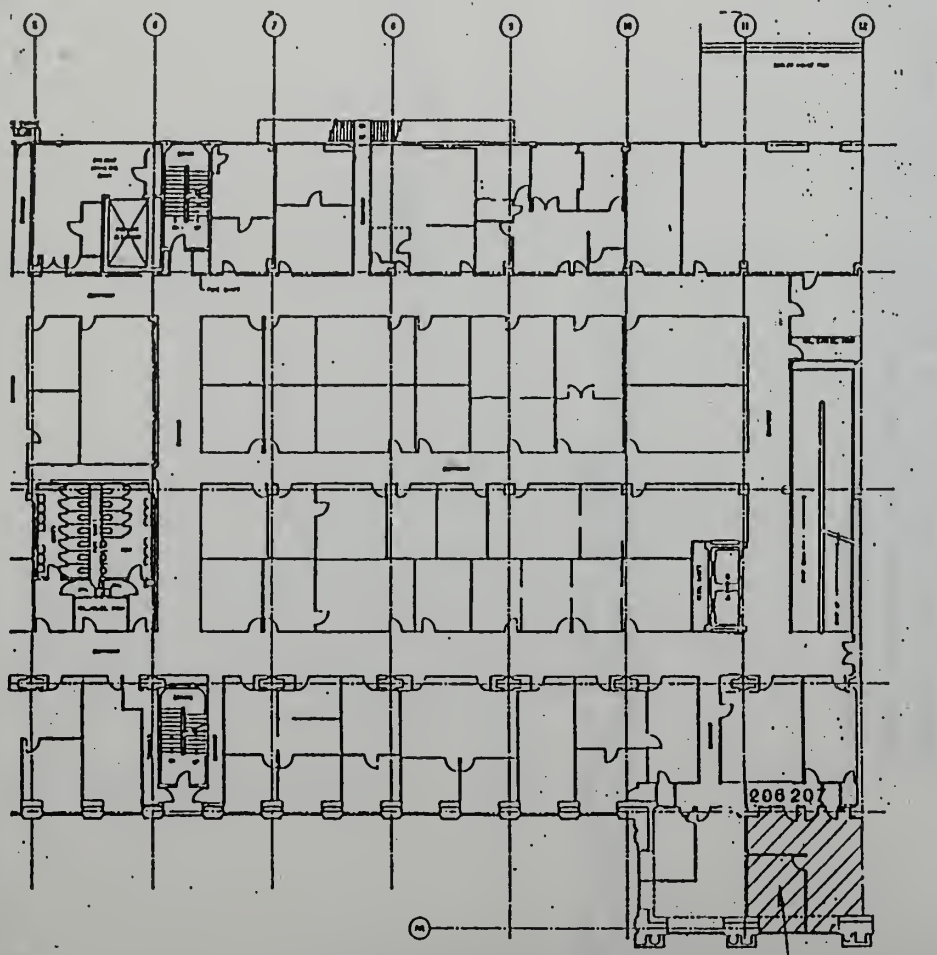
WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, San Francisco Trail Lawyers desires to lease from the Port and the Port desires to lease to San Francisco Trail Lawyers approximately 829 square feet of office space at the World Trade Center, Suites 206 and 207; now therefore be it

RESOLVED, That the Port Commission hereby approves the business terms of the lease with San Francisco Trial Lawyers as described in the Memorandum for Agenda Item 8C regarding the August 9, 1994 Commission meeting and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

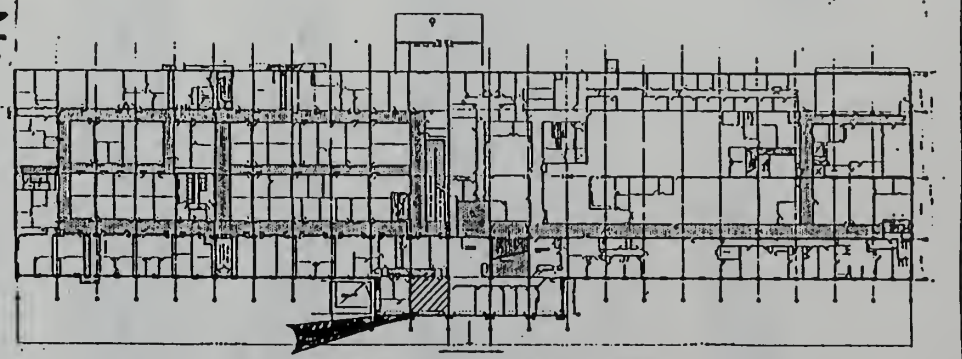
_____
Secretary



11988
829 S.F.

FERRY BUILDING

SECOND FLOOR - NORTH



FERRY BUILDING - SECOND FLOOR

LOCATION PLAN

NO.	DATE	DESCRIPTION

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

SAN FRANCISCO TRIAL LAWYERS

Contract No.

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE_____

CHIEF ENGINEER

IN CHARGE OF	CHECKED BY
MADE BY R.C.	DATE 7-29-94
TRACED BY	SCALE
DRAWING NO. 2740-2-0206 0207	SHEET NO. 206-207 OF SHEETS

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

August 3, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Professional Services Contract No. SA3920019, "Asbestos Abatement Oversight and Consultation Services," with Galson Corporation, Approval to Execute Phase II

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO EXECUTE PHASE II OF PROFESSIONAL SERVICES CONTRACT NO. SA3920019 WITH THE GALSON CORPORATION, FOR $35,810.00.

On September 29, 1992, the Port entered into a contract with Galson Corporation to develop specifications and to perform abatement oversight services for asbestos material used in the construction of the Ferry Building/World Trade Center and Pier 70 Building 111. The Port Commission by Resolution No. 92-20 on May 27, 1992, authorized the execution of the Contract Phase I which was for the Ferry Building/World Trade Center. Work on Phase I is still in progress. Contract Phase II includes Pier 70, Building 111 within the scope of work.

FEMA/OES have authorized funding for the asbestos survey and abatement where these materials interfere with the building structural modifications. The cost of the scope of services is $35,810. All work will be fully funded by FEMA/OES.

Prepared by: Cliff Jarrard

THIS PRINT COVERS CALENDAR ITEM NO. 8D

agd-019.byn

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-118

WHEREAS, on September 29, 1992, the Port entered into a contract with Galson Corporation to develop specifications and to perform abatement oversight services for asbestos material used in the earthquake repair construction of the Ferry Building/World Trade Center and Pier 70 Building 111; and

WHEREAS, the Port Commission by Resolution No. 92-20 on May 27, 1992, authorized the execution of the Contract Phase I for the Ferry Building/World Trade Center only; and

WHEREAS, Contract Phase II includes Pier 70, Building 111 in the professional services contract scope of work; and

WHEREAS, FEMA/OES has authorized funding for the asbestos survey and abatement where these materials interfere with the building structural modifications; and

WHEREAS, all work will be fully funded by FEMA/OES; therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes staff to execute Phase II of professional services Contract No. SA3920019 with the Galson Corporation for $35,810.00 to proceed with work on Pier 70, Building 111.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____
Secretary

agd-019.byn

PORT OF SAN FRANCISCO

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MEMORANDUM

August 3, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Authorization to Make Final Payment and Accept Construction Contract No. 2592R, "Drydock and Overhaul of the Fireboat Phoenix," with Bay Ship & Yacht Company

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO MAKE FINAL PAYMENT AND ACCEPT ALL WORK UNDER CONTRACT NO. 2592R, FOR A TOTAL COST OF $164,576.

On February 24, 1994, by Resolution No. 94-29, the Port Commission approved the award of Drydock and Overhaul of the Fireboat Phoenix Contract No. 2592R to Bay Ship & Yacht Company at a total contract cost of $100,002.

After the vessel was lifted out of the water and placed in drydock, additional damage was discovered. As a result, unanticipated work was required to replace thin corroded areas of the hull and to repair worn areas on the propeller shafts and their bearings. The San Francisco Fire Department requested that this work be done under Contract 2592R since it would be another two years before the vessel would be placed in drydock again. To accomplish this, the Fire Department transferred additional funds to the Port for a contract modification. On June 14, 1994, by Resolution No. 94-78, the Port Commission authorized staff to issue Modification No. 1, for $64,574 to perform this work. All work has been satisfactorily completed for a total contract amount of $164,576.00.

Prepared by: Cliff Jarrard

THIS PRINT COVERS CALENDAR ITEM NO. 8E

agd-phoenix

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-119

WHEREAS, The Chief Harbor Engineer has prepared a final estimate of the total value of the work done in accordance with the subject contract; and

WHEREAS, the Chief Harbor Engineer has performed a final inspection and has confirmed that the work covered by the contract has been fully and satisfactorily completed; and

WHEREAS, the final estimate is acceptable to the contractor; and

WHEREAS, under Section 6.27 of the San Francisco Administrative Code, the Executive Director must certify in writing that the work covered by the contract has been fully and satisfactorily completed in accordance with the plans and specifications; and

WHEREAS, receipt of a copy of such acceptance in writing shall constitute the Controller's authorization to issue a final payment to the contractor; and

WHEREAS, acceptance of final payment by the contractor shall constitute and be considered as a complete release of the Port by the contractor from any and all future claims against the Port for the performance of work under the contract; therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes final payment to Bay Ship & Yacht Company and for the Executive Director to accept all work under Drydock and Overhaul of the Fireboat Phoenix, Contract No. 2592R for a total contract amount of $164,576.00.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of August 9, 1994.

_____
Secretary

agd-phoenix

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8/9/94

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

MINUTES OF THE MEETING
AUGUST 9, 1994

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1. **ROLL CALL**

The meeting was called to order by President Preston Cook at 4:10 p.m. The following Commissioners were present: Preston Cook, Anne Halsted, Frank O'Neill. Commissioner Frankie Lee was absent.

2. **APPROVAL OF MINUTES** - July 26, 1994 Special Meeting

The minutes of the July 26, 1994 Regular Meeting will be presented for approval at the next meeting.

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; minutes of the July 26 Special Meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Mr. Bouey reported that the Commission previously voted on a resolution urging the Board of Supervisors and the Mayor to place an ordinance on the November ballot exempting two projects from the Prop H non-maritime development moratorium, namely: (1) the renovation of the Ferry Building and (2) the construction of the public boat dock area. He reported that not only has the Mayor but all eleven of the supervisors have signed on to place the ordinance on the November ballot. At the moment, staff is working with various San Francisco organizations to place appropriate ballot arguments in the voter's handbook.

Commissioners Halsted and O'Neill expressed their thanks for the passage of the ballot.

4. **TENANT & MARITIME SERVICES**

A. Approval of Marine Terminal Agreement with Norsul Internacional S.A. for Use of Pier 94/96. (Resolution No. 94-107)

Mr. Bouey stated that in the face of many shipping lines departing, this is, albeit a small one, a positive step in attracting new cargo lines to the Port of San Francisco. Norsul Internacional, primarily a great bulk carrier, will utilize Pier 94/96. Due to the uncertain future of Pier 94/96 and dependent upon Port's ability to attract additional shipping lines this year, Mr. Bouey explained the existence of the early termination clause in the contract. Norsul Internacional has agreed to the clause.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

B. Approval of Lease with Pier 32 Market Inc. for Pier 30-32 (Resolution No. 94-108)

Mr. Bouey stated that the Commission approved and authorized staff to enter into a process to bring an open-air Arts and Crafts Fair to Pier 30-32. Staff proceeded with the process and Commission authorized staff to negotiate with Pier 32 Market Inc. and the negotiations have concluded successfully. Pier 32 Market Inc. paid a fee of $25,000 for the right to negotiate and is moving quickly to meet the target weekend opening of August 27. Pier 32 Market Inc. is awaiting the BCDC permit and have already received the permit from the Planning Department. Mr. Bouey pointed out that the terms of the lease are enumerated on the 2nd page of the agenda. He, however, summarized that revenue to the Port is $345,600 annually when operating on weekends and specified holidays. Subject to Port approval, the fair may operate on additional days at a rate of $500 a day or 10% of the tenant's gross revenue. The primary use is open-air arts and crafts but there are other complimentary uses such as entertainment, children's play areas, educational exhibits, volleyball and basketball courts. The fair will serve the purpose of bringing residents to the waterfront. Based on market surveys performed by Pier 32 Market, Inc., staff believes that as many as 5,000 people a day will be attracted. He added that this is a win-win situation for the Port and begins the process of revitalizing the most beautiful waterfront in the country.

Commissioner Halsted commented that she's excited with the prospect and it's important that community relations continue as the project unfolds and wants to ensure that someone from Port staff will take care of any complaints that may occur. Mr. Bouey concurred; he added that this is an 18-month lease and staff would be evaluating if this concept is viable; the fate of this concept will largely depend on comments from the public. Special thanks go to the principals of Pier 32 Market Inc. as well as Port staff, who worked very hard and met tough deadlines.

Commissioner O'Neill echoed the same compliments and inquired whether the Port has lived up to its end and wondered if the other tenants are out of the way and if everything is up to snuff. Mr. Bouey stated that Port was not relocating existing tenants but was helping Pier 32 Market with the parking situation. It's his understanding that PG&E and Tutor Saliba will still be at Pier 30-32 for a while but if this should be the permanent site for this project, staff would work on relocating those tenants. However, the area that Pier 32 Market is going to occupy will be clear.

Mr. David Weiss of Pier 32 Market Inc. expressed his thanks for the Commission's and the Executive Director's consideration of this project and giving them the opportunity. He believes that they will do a very successful job of making everyone satisfied. They hope to handle any complaints that come to their door first before it reaches the Commission. Commissioner Cook congratulated them and requested that the Commission would also like to hear the good news and positive comments as well.

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; the resolution was adopted.

C. Approval of Amendment to Lease with Beth Aharon Day School for Land and Auto Storage at Seawall Lot 337 on Terry Francois Blvd. across from Pier 52. (Resolution No. 94-109)

Mr. Bouey stated that this lease amendment provides an additional 39,574 sq. ft. to the premises, which will yield approximately $.132 per sq. ft. Since this square footage falls outside the $.15 per sq. ft. leasing parameters, Commission approval is required. Given the location and irregular configuration of this property, it's extremely unlikely that the Port will be able to lease it for $.15 or more per sq. ft. and staff feels that $.132 is a fair offer for this property.

Commissioner O'Neill inquired if the Port is protected if future problems should occur with regard to the hazardous materials found in cars stored on the property. Mr. Bouey responded that the Port is protected for any new introduction of hazardous materials to the property. However, the Port historically has not drawn baselines on any of its properties. In some instances where a clean baseline is drawn, the Port holds the tenant responsible. In instances where this is no baseline, the tenant is responsible for hazardous materials introduced since the lease commences. However, Mr. Bouey later clarified that the tenant, on this particular lease, is responsible for pre-existing hazardous materials.

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; the resolution was adopted.

D. Approval of Month-to-Month Lease for the Bounty Restaurant at Cargo Way and Jennings Street. (Resolution No. 94-110)

Mr. John Viafiadis originally operated the Bounty Restaurant under a lease which expired sometime ago. He now operates on a month-to-month basis but has filed for bankruptcy. The good news is he does not owe the Port money. More importantly, he has provided a vendor who is willing to pay the Port more for this property than he. The Port Commission's retail leasing policy would require that this property go through an RFP. However, the restaurant is located at the gate of Pier 96 which serves those working at Pier 96. Given the current lack of business and uncertain future of this area, staff feels this is not be a prudent time to RFP. This is one of those instances that benefits the Port as well as the person filing for bankruptcy.

Commissioner Halsted remarked that while it is written on the agenda that Mr. Hallett understands that his tenancy would be month-to-month only and that no other rights are promised or implied, it has been the Port's experience that tenants read in implied rights. She inquired whether the Commission has any reason to believe that the new tenant has signed a document representing that perception. Mr. Bouey stated that while staff has had very blunt discussions with Mr. Hallett, he doesn't believe the Port has received anything in writing but sees no problem in obtaining such an understanding in writing. Mr. Bennett concurred. This is a month-to-month agreement and this property was rented on that basis. Commissioner O'Neill remarked that perhaps this should be included on the lease or in an addendum or perhaps be a part of the document. Mr. Bouey stated that as a matter of policy it will be included on all month-to-month leases.

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; the resolution was adopted.

E. Approval of Standard Form Lease Modification. (Resolution No. 94-111)

At the last meeting, staff asked for exception to the standard hazardous materials (hazmat) language which holds tenants responsible for any contamination found on the property. Staff found that some tenants take an exception to this language believing that they should be responsible only for hazmat which they introduce to the property. In order to expedite leases, staff asks that the Executive Director have the authority to change the standard hazmat language, as submitted on the agenda package, when appropriate.

Commissioner Cook commented that these are good and wise changes which would help the Port lease some space.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

F. Approval of Amendment to Lease Parameters regarding Maximum Lease Terms for the Fisherman's Wharf Seafood Center at Pier 45 (Resolution No. 94-112)

Mr. Bouey stated that marketing for shed space in Sheds A and B is underway. The study done by Sedway and Associates recommended that we charge $.45 to $.55 per shed space plus $.15 for apron space. The study further recommends lease terms of 5-10 years to allow for amortization of necessary improvements by the fish processors. Staff has found that there is interest in fish processing companies to occupy this space but, with one exception, fish processors have stated they need 10 years to amortize their improvements which is outside the parameters of our standard leasing policy. Staff believes that an exception should be made and staff be allowed to grant 10 year lease terms.

Commissioner Halsted asked for an explanation on how this relates to resolutions going to the Board of Supervisors for approval. Mr. Bouey responded that, as a matter of policy, any lease that requires the Board of Supervisors's approval should pass through the Port Commission so they have an opportunity to comment and vote. The issue that the Commissioner raises is whether having a lease term of ten years triggers that requirement. The Charter reveals that leases in excess of 10 years require Board's approval; thus signing a 10-year lease does not engage the provision of Board approval. Mr. Bouey stated that the Commission would be provided a separate report. He added that this is a very narrow exception. To his knowledge, this is the only exception Port agreed to in a blanket form which is for an industry that is supported by the Commission and the Board of Supervisors. In effect by voting on this, the Commission has reviewed it, the only exception is for the lease term. He doesn't believe that this will present a problem. Mr. Bouey reiterated that the Port Commission has a leasing policy and if staff should lease outside those parameters, staff needs to come back to the Commission for approval. The only exception staff is asking for today is the term.

Commissioner Cook inquired about the status of the leases at Pier 45. Mr. Kirk Bennett reported that this has been a project that's been anticipated by the fishing industry and an extensive market study was done to set market rates to be fair to the fish processors and to the Port and the City. As a result the rents that were established were above the minimum parameters. Staff developed a list of Port tenants and other tenants as well, who have expressed interest in the facility and did an outreach to all of them. Of the six leases that were sent; one was executed, and staff anticipates the others to be executed shortly. This represent approximately 1/2 of Shed B. In addition, we have a tenant who has a lease for one space in Shed D, which should be ready next summer.

Commissioner Halsted requested a written report on these leases be provided on a regular basis to keep them abreast. Mr. Bennett responded that a report will be provided to the Commission.

Commissioner O'Neill inquired if this is a 10-year level rent or has an annual escalation. Mr. Bennett stated that there is an annual escalation.

Commissioner Cook inquired how the Port was able to offer a 5-year lease to this individual instead of a 10-year lease. Mr. Bouey stated that staff will initiate a call and offer him the same term that will be offered to the others. Mr. Bennett clarified that when potential tenants were offered leases they were given a choice of a 5-year or 10-year. Almost all of them opted for the 10-year lease with this one exception. Commissioner Cook further inquired if we are building a

state-of-the-art fish processing facility. Mr. Bennett clarified that the Port is creating a state-of-the-art shell space, not a finished space. Commissioner Cook further understands that other fish processors in the City will have difficulty complying with the new federal regulations. Mr. Bennett stated that it is under review and it's unclear how it's going to be implemented in terms of design; however, it's staff's expectation that they will indeed have difficulty.

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; the resolution was adopted.

G. Approval of Month-to-Month Rent for commercial fishing gear storage in Shed Space. (Resolution No. 94-113)

Mr. Bouey stated that a number of fishing boats that berth at Fisherman's Wharf rent storage space at Shed D. In November, construction will commence in Shed D and continue through May 1995. There is a need for temporary location of their fishing equipment. Staff proposes that they use other storage space on Port property and has identified Piers 26, 28 as likely candidates. Space in these areas normally rents for $.25; the current amount being paid by the fishermen is $.20 and staff recommends that for those tenants who are berthed at Fisherman's Wharf for this temporary period of time be allowed to store their fishing equipment at the reduced rate of $.20/sq.ft.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

5. **FACILITIES & OPERATIONS**

6. **PLANNING & DEVELOPMENT**

7. **ADMINISTRATION**

8. **CONSENT CALENDAR**

A. Approval of Amendment to Lease with Olive Oil's Restaurant at Pier 50. (Resolution No. 94-115)

B. Approval of Lease with Deni Leonard Associates for Office Space in World Trade Center. (Resolution No. 94-116)

C. Approval of Lease to San Francisco Trial Lawyers at World Trade Center. (Resolution No. 94-117)

D. Approval to execute Professional Services Contract No. SA 3920019, "Asbestos Abatement Oversight and Consultation Services," Phase II with Galson Corporation to accommodate Pier 70, Building 111, Earthquake Repair Design for $35,810. (Resolution No. 94-118)

E. Authorization to accept construction Contract No. 2592, "Drydock and Overhaul of Fireboat Phoenix," with Bay Ship and Yacht Company, for a final contract cost of $164,576. (Resolution No. 94-119)

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolutions on the Consent Calendar

were adopted.

9. **NEW BUSINESS**

10. **EXECUTIVE SESSION**

At 4:45 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matters:

A. An executive session has been calendared for the Port Commission to discuss the status of the following litigation cases:

Kirp v. CCSF, Superior Court No. 944-722
Kenealey v. CCSF, Superior Court No. 949-476

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

B. Conference with Real Property Negotiator
Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation at Seawall Lot 344 adjacent to Cargo Way. The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

C. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

Commissioners Cook, Halsted, and O'Neill returned from Executive Session and convened in public session at 5:45 p.m.

ACTION: Commissioner Halsted moved approval to not disclose information discussed at the Executive Session; Commissioner O'Neill seconded the motion. All Commissioners in favor.

The meeting was adjourned.

8/23/94
S.F. PORT COMMISSION

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NOTICE OF CANCELLATION

REGULAR MEETING - TUESDAY, AUGUST 23, 1994 AT 4:00 P.M.

THE NEXT PORT COMMISSION MEETING IS SCHEDULED FOR TUESDAY, SEPTEMBER 13, 1994 AT 4:00 P.M.

SAN FRANCISCO PORT COMMISSION

FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CA 94111

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PORT OF SAN FRANCISCO

SPECIAL MEETING

TUESDAY, AUGUST 30, 1994 AT 5:00 P.M.

AGENDA

1. EXECUTIVE SESSION

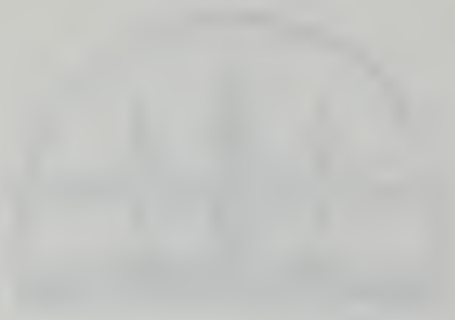
   A. Conference with Legal Counsel - Existing Litigation

      1) Kirp v. CCSF, Superior Court No. 944-722
      2) Kenealey v. CCSF, Superior Court No. 949-476

      The City Attorney is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

   B. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

SAN FRANCISCO PORT COMMISSION
FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CA 94111



SAN FRANCISCO PORT COMMISSION

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REGULAR MEETING
4:00 P.M., SEPTEMBER 13, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - August 9, 1994 Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

4. **SPECIAL ITEM**

5. **LEGISLATION**

   A. Resolution supporting passage of proposed Federal legislation Water Resources Development Act 1994 to clarify that the Federal government must share the cost and responsibility for providing dredged material disposal areas at upland disposal sites (Resolution No. 94-127)

   B. Resolution supporting passage of proposed Federal legislation (Schenck Amendment) to preempt State regulation of gaming on cruise ships travelling to a foreign nation during travel between California Ports (Resolution No. 94-128)

6. **TENANT & MARITIME SERVICES**

   A. Approval of Addendum No. 3 to Request for Proposals to Lease Mission Rock Resort located at 817 Terry Francois Blvd. to provide for a substitute RFP document. (Resolution No. 94-120)

7. **FACILITIES & OPERATIONS**

   A. Contract No. 2591, "Pier 26 and 28, Removal of Lead Contaminated Soils from Roofs," authorization to reject the bid of OGISO at $248,000 and the bid of Universal Environmental at $439,578 (adjusted preference of $395,620.20), both for being non-responsive and awarding to the third low bidder of Ramcon Engineering and Environmental Contracting at a cost of $418,450.50. (Resolution No. 94-126)

8. **PLANNING & DEVELOPMENT**

9. **ADMINISTRATION**

10. **CONSENT CALENDAR**

A. Approval of Lease with Royal Charter Marine Corporation at Pier 46B, located at Berry Street and 2nd Street. (Resolution No. 94-123)

B. Approval of Lease with Adrian Ruyle, dba Adrian Studios at Pier 46B, located at Berry Street and 2nd Street. (Resolution No. 94-124)

C. Approval of Lease with Great American Navigator Co., Inc. at Pier 64N, located at Terry Francois Blvd. at Eldorado Street. (Resolution No. 94-103)

D. Adoption of 1994-95 Rental Rate Schedule as required by Port Commission Standard Leasing Policy (Resolution No. 94-129)

E. Contract No. 2601, approving a Declaration of Emergency for the replacement of a water line at Pier 35 to serve passenger ships at an estimated cost of $35,000. (Resolution No. 94-130)

F. Authorization to Apply for, Accept and Expend Funds from the Economic Development Administration, US Department of Commerce and Office of Strategic Technology, California Trade and Commerce Agency to Improve Cranes at Pier 70 Ship Repair Facility (Resolution No. 94-131)

G. Approval of Refunds and Allowances for the period ending July 31, 1994 (Resolution No. 94-114)

11. **NEW BUSINESS**

12. **EXECUTIVE SESSION**

A. PUBLIC EMPLOYEE APPOINTMENT

1) Confirmation of Appointment of Director of Tenant and Maritime Services

The City Attorney has advised that an executive session of this matter is specifically authorized under California Government Code Section 54957.

B. Closed Session; Public Report of Action Taken (California Government Code Section 54957.1)

13. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

PORT OF SAN FRANCISCO

MEMORANDUM

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Writer

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey DPB
Executive Director

SUBJECT: Resolution supporting passage of amendments to the Water Resources Development Act of 1986 (WRDA '86) to allow the Federal government to share in the development and construction costs for upland disposal sites for dredged material.

DIRECTOR'S RECOMMENDATION: **AUTHORIZE THE EXECUTIVE DIRECTOR AND STAFF TO UNDERTAKE ALL REASONABLE EFFORTS IN SUPPORT OF THE PROPOSED AMENDMENT TO THE WATER RESOURCES DEVELOPMENT ACT.**

BACKGROUND ON EXISTING FEDERAL LAW

Over the past five years restrictions by Federal, State and regional agencies for disposal of dredged material have become more stringent with heightened environmental concerns. Bay Area ports, in particular, must now undergo stricter and more expensive testing programs for their dredged material to assess the impact of the material on protected fish species. As these testing requirements increase, the need for finding disposal alternatives to Alcatraz becomes more critical.

The region has been involved in a long term planning effort led by the U.S. Army Corps of Engineers("LTMS") to identify disposal sites in upland locations (wetlands restoration, landfills and levee reconstruction) as an alternative to the Alcatraz disposal site. The final study designating viable sites will be issued in Spring 1995.

A major hurdle in the actual development of upland disposal sites for use by Bay Area ports and marinas is a technical interpretation by the U.S. Army Corps of Engineers of the 1986 Water Resources Development Act. The Corps has concluded that

THIS PRINT COVERS CALENDAR ITEM 5A

existing law requires the project sponsor to pay for the entire cost of making all the necessary construction improvements for upland dredged material disposal areas. By comparison, when dredging Federal Channels, the Federal government pays 75% of the disposal cost at aquatic locations like Alcatraz for dredging Federal Channels and the project sponsor pays only 25%. Thus, under the existing interpretation, there is little incentive for ports and dredgers to take on the costs of developing upland sites. If existing law is not changed, it will continue to be difficult for the Bay Area to develop the disposal sites needed to accommodate dredged material not suitable for Alcatraz.

Benefit of Proposed Legislation to the Port of San Francisco.

With one exception the Port of San Francisco has primarily used Alcatraz as a disposal site for dredged material for its maintenance dredging permits. In 1992, the Port of San Francisco was the first port in the region to dispose of 20,000 cubic yards, from the Pier 29 newsprint terminal, at a landfill in Marin County. The Port paid $22.50 per cubic yard as compared to $2.25 per cubic yard to dispose of the material which was stored at a drying facility next to Port Sonoma for several months before it was trucked to Marin County. This site was later used by the Port of Oakland for their '38 foot deepening.

At this date, for dredged material not suitable for Alcatraz, there are no readily available upland disposal sites. As a result the Port of San Francisco may face considerable difficulty in disposing of dredged material that does not pass the testing requirements for Alcatraz.

Future environmental and infrastructure work is needed at both the Port Sonoma drying facility ("Leonard Ranch) and Redwood Landfill to bring it on-line for the future needs of all dredgers in the Bay. The proposed amendment creates a new financial incentive for the development of disposal sites.

The proposed amendment will also be of significant importance to the Port of San Francisco if it proceeds with the deepening of its cargo terminals to 45 feet as is currently proposed in a study prepared by the Corps. The deepening project would be Federal responsibility and therefore the costs for construction of upland disposal sites could be 75% covered by the Corps, instead of the Port of San Francisco having to pay the full cost.

This amendment is strongly supported by ports throughout the nation under the leadership of the American Association of Port Authorities and by fisheries, business and environmental organizations in the Bay Area advocating for development of disposal sites that are environmentally safe and affordable for project sponsors.

Prepared By Veronica Sanchez

PORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Resolution No. 94-127

WHEREAS, The Port of San Francisco supports regional efforts to develop upland disposal sites for dredged material that are environmentally and economically viable; and

WHEREAS, The Port of San Francisco was the first Port in the region to use an upland disposal site for material not suitable for aquatic disposal or wetlands restoration and has an interest in ensuring that upland disposal sites are available for future maintenance dredging and deepening projects; and

WHEREAS, Proposed amendments to federal law, Water Resources Development Act of 1994 ("WRDA") will create financial incentives for development of upland disposal sites by requiring the Federal government to pay for seventy-five percent of the costs of acquisition and construction of the upland disposal sites; and

WHEREAS, The proposed amendment has the support of ports across the nation under the leadership of the American Association of Port Authorities and is also endorsed by business, environmental and fisheries organizations; therefore be it

RESOLVED, That the Port Commission hereby authorizes the Port staff to take all reasonable efforts to seek passage of the proposed amendments to the Water Resources Development Act of 1994 which will lead to development of new upland disposal sites for the Port of San Francisco's future use.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____

Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
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Writer

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Resolution supporting passage of amendments to Federal law, "The Johnson Act" to allow passenger cruise lines to resume gaming activities as an incidental part of the cruise while the vessel is international water.

DIRECTOR'S RECOMMENDATION: **AUTHORIZE THE EXECUTIVE DIRECTOR AND STAFF TO UNDERTAKE ALL REASONABLE EFFORTS IN SUPPORT OF THE PROPOSED AMENDMENT TO THE JOHNSON ACT.**

Background

In 1992, Governor Wilson signed AB 3769 making it illegal for cruise ships leaving a California port and re-entering a California Port to offer gaming to its passengers. The law intended to re-establish the long standing statutory prohibition in California against "gambling cruises to nowhere" and floating casinos. However, its unintended result was to change State and Federal laws that for decades have permitted the opening of casinos aboard foreign flag passenger vessels while cruising in international waters. The mere activity of travelling from one California port to another in route to a foreign destination triggers the prohibition.

In 1993, the Port Commission passed a resolution (Res. 93-8) in support of proposed State legislation to prevent the loss of foreign flag cruise ships subject to AB 3769. The proposed legislation, Assembly Bill 74 by Assemblywoman Alpert, encountered opposition in the Senate and the coalition of ports, tourism businesses and labor were not successful in securing passage of the bill.

At the suggestion of the Governor's Office, efforts were undertaken in late 1993 to change the Federal law to preempt the State's action. This legislative strategy

THIS PRINT COVERS CALENDAR ITEM NO. 5B

enables the State to preserve technical issues related to Indian Gaming which were of concern to the State in supporting AB 74. Following the Governor's request, an amendment to pending Federal legislation has been prepared to allow gaming on the segment of cruises between California ports if the voyage is destined for a foreign country and the vessel reaches the other state or foreign country within three days after leaving the State.

Benefit to the Port of San Francisco

The greatest loss from AB3769 during the 1993 and 1994 cruise seasons was to the Los Angeles, Catalina and San Diego because they attract the shorter three to four day excursions. The Port of San Francisco's cruise business actually grew the past two years but serious concerns exist about future loss of business if California's law is not change. The proposed amendment would protect the Port from any future business loss and would allow the State's cruise industry to recover what it lost in 1992.

Prepared by: Veronica Sanchez, Manager
Legislative Affairs

PORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

Resolution No. 94-128

WHEREAS, Over half of the Port of San Francisco's passenger cruise business is from vessels on repositioning voyages from the Summer Alaska Season to the Winter Mexico/Caribbean Season; and

WHEREAS, These cruise lines have offered gaming as part of the passenger entertainment while the vessels are in international water; and

WHEREAS, In 1992, Assembly Bill 3769, changed this practice by prohibiting any passenger vessel that embarks and/or disembarks at the same of another California port from opening their casino even if it is outside State waters; and

WHEREAS, Efforts have been unsuccessful at the State level to change this this prohibition thereby requiring the need to pursue Federal legislation to prevent the loss of cruise business to the Port of San Francisco; and

WHEREAS, An amendment to the Johnson Act has been introduced in Congress by Representative Schenk ("The Schenck Amendment) which will preempt the State's prohibition and resume gaming activities aboard cruise ships in route to foreign destination while off the California Coast, therefore by it

RESOLVED, That the Port Commission hereby authorizes the Port staff to undertake all reasonable efforts to seek passage of the Schenk Amendment.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____

Secretary

PORT OF SAN FRANCISCO **MEMORANDUM**

Ferry Building
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Writer

September 7, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Authorization to Issue an Addendum to the Request for Proposals (RFP) to Lease Mission Rock Resort at 817 Terry Francois Blvd. to Provide for a Substitute RFP Document.

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE ISSUANCE OF AN ADDENDUM TO THE MISSION ROCK RESORT (RFP) WHICH PROVIDES FOR A SUBSTITUTE RFP DOCUMENT.

On March 22, 1994 The Port Commission approved Resolution #94-41, which authorized Staff to issue a RFP to lease the Mission Rock Resort site to be used as a public restaurant and small boat marina. Based upon comments received from prospective bidders attending the site inspections and the pre-proposal conference, Staff concluded that modifications to the RFP package were required in order to receive the best possible proposals for the site.

ISSUES

Prospective bidders' comments and Staff's follow-up research focused on the following issues:

1. Hazardous Materials - Prospective bidders overwhelmingly objected to the requirement that the tenant be responsible for all pre-existing hazardous materials in the buildings, land and bay silt. They further requested that they be provided with a site survey and disclosure of pre-existing conditions, and they requested that the Port be responsible for any pre-existing conditions. Staff responded with an extensive sampling of the building which, while not conclusive, strongly suggests that hazardous materials are not present. While Staff did not test the land and bay silt, the Port Environmental Affairs Department recommended that the land not be disturbed.

THIS PRINT COVERS CALENDAR ITEM NO. 6A

2. Base Rent - Prospective bidders stated that the base rent of $5,000 per month might be too high for the initial years of the lease given the high initial investment required and the need to develop new business after the operation opens.

3. Improvement Period - Prospective bidders expressed that a five month period for planning, permitting and construction was too short.

4. Marina Improvements - Further analysis of the condition of the marina indicated that full replacement of the docks could cost $250,000-$300,000, half of which is attributable to disability access requirements. While the marina is an amenity that the Port desires, at the projected cost it appears that it would represent more of an obstacle than a benefit in obtaining bids for the restaurant operation.

5. Code Violations - Based upon the poor condition of the existing facility, the bidders requested a full disclosure of existing code violations and Port participation in the cost to cure. Staff responded by conducting a thorough audit of the facility and prepared a list of code violations.

PROPOSED AMENDMENT

Staff has developed the following revised provisions to the RFP which address the above issues.

1. Hazardous Materials

   a) Include the results of the survey conducted and assign responsibility for pre-existing conditions discovered in the buildings to the tenant, but allow a credit against base rent of up to $10,000 to cover abatement costs in the unlikely event that asbestos is discovered during construction.

   b) Limit building renovations to above-slab improvements which can be performed without disturbing the soil, with the Port retaining responsibility for pre-existing conditions in the land and bay silt.

2. Base Rent - Change the minimum rent structure to allow a lower minimum acceptable base rent bid of $3,000 per month for the first two years following the Improvement Period. The minimum acceptable base rent bid for the next year would remain at $5,000 per month, with cost of living increases at the end of that year and every third year thereafter.

3. Improvement Period

   a) Increase the period for design, permitting and construction to nine months. Base rent would not commence until the 10th month of the lease term, although percentage rent would be due on any sales generated at the premises throughout the lease term.

   b) Require that the tenant provide interim marina services to the extent that it is practical and pay percentage rent on sales generated from these marina services.

4. Marina Improvements - Participate in the cost of capital improvements to the marina by granting a rent credit not to exceed $250,000, which would be taken against base rent.

5. Code Violations - Include a disclosure of known code violations as an addendum to the RFP. Corrections of these code violations would be required in the event that the existing premises are renovated, which would be performed at the Tenant's cost. If the building is demolished and replaced, it would be built to current building codes and the code violations would not be applicable.

6. RFP Schedule - Revise the deadline for submittal of proposals to October 28, 1994.

Because of the extensive amendments proposed to the RFP, Staff recommends that the addendum provide for a substitute RFP document which incorporates all of the provisions of the RFP. A copy of the proposed substitute RFP document is attached.

Prepared by: Kirk Bennett, Acting Director, Tenant & Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-120

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, On March 22, 1994, through Resolution No. 94-41, the San Francisco Port Commission authorized Staff to issue a Request for Proposals (RFP) for a lease of the Mission Rock Resort located at 817 Terry Francois Blvd., San Francisco; and

WHEREAS, Pursuant to comments received regarding the RFP, Staff recommended modifications to the RFP document under the terms of the attached substitute RFP document; therefore be it

RESOLVED, That the Port Commission hereby authorizes staff to issue Addendum No. 3 to the RFP to lease Mission Rock Resort.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____
Secretary

I:\...\agendas\mission.rck\DA\cp\September 1, 1994

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

September 6, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Construction Contract No. 2591, "Piers 26 and 28, Removal of Lead Contaminated Soils from Roofs", Authorization to Award

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION AUTHORIZE STAFF TO REJECT THE BID OF OGISO ENVIRONMENTAL AT $248,000 AND THE BID OF UNIVERSAL ENVIRONMENTAL AT $439,578 (ADJUSTED $395,620.20), FOR BEING NON-RESPONSIVE AND AWARD TO THE THIRD LOW BIDDER RAMCON ENGINEERING & ENVIRONMENTAL AT A COST OF $418,450.50.

On June 17, 1994, bids were opened on Contract No. 2591. The bid results are shown on the attached Summary of Bids. After receipt of bids, the second apparent low bidder, Universal, filed a bid protest against the apparent low bidder, OGISO, for failure to submit its bid bond with the bid package. The City Attorney's Office reviewed the matter and determined that the apparent low bidder was, in fact, non-responsive for failing to submit the bid bond at the appropriate time. The City Attorney's Office further determined that the second apparent low bidder, Universal, was also non-responsive for failure to submit its required work plan at the time of bid opening. This was a violation of the contract specifications.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

The third apparent low bidder, Ramcon Engineering and Environmental, has a responsive bid, has fulfilled the MBE/WBE subcontracting requirements and is fully qualified to perform the work. Per the agreement between Caltrans and the Port, Caltrans will pay $289,433.80 and the Port $129,016.70 of the total bid of $418,450.50. The Engineer's Estimate was $600,000, the Conditions of award for this contract to Ramcon is acceptable to Caltrans.

Summary of Bids

Contract No. 2591, "Piers 26 and 28, Removal of Lead Contaminated Soils from Roofs"

CONTRACTOR	BID	ADJUSTED BID
OGISO Environmental 150 W. Iowa, #200 Sunnyvale, CA 94086	$248,000	$248,000.00
Universal Environmental 1898 Park Road Benicia, CA 94510	$439,578	$395,620.20
Ramcon Engineering & Environmental P.O. Box 1026 West Sacramento, CA 95691	$418,450.50	$418,450.50
Homer J. Olson, Inc. P.O. Box 993 Union City, CA 94587	$476,610	$476,610.00
ICONCO 303 derby Avenue Oakland, Ca 94601	$546,860	$546,860.00

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-126

WHEREAS, Bids were opened on June 27, 1994 on Contract No. 2591, "Pier 26 and 28, Removal of Lead Contaminated Soils from Roofs"; and

WHEREAS, the City Attorney's Office determined that the apparent low bidder, OGISO Environmental, was non-responsive for failure to submit its bid bond at the time of bid opening; and

WHEREAS, the City Attorney's Office further determined that the second apparent low bidder, Universal Environmental, was also non-responsive for failure to submit its work plan at the time of the bid opening; and

WHEREAS, the third apparent low bidder, Ramcon Engineering and Environmental, submitted a responsive bid, met the MBE/WBE subcontracting requirements and is fully qualified to perform the work; and

WHEREAS, Caltrans will pay $289,433.80 and the Port $129,016.70 of the total cost of the work; and

WHEREAS, the conditions of awarding the contract to Ramcon is acceptable to Caltrans and the cost of this contractor performing the work is still well below the Engineer's Estimate; therefore be it

RESOLVED, that the San Francisco Port Commission hereby approves the award of Contract 2591 to Ramcon Engineering and Environmental for $418,450.50.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____
Secretary

agd-2591.cj

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MEMORANDUM

September 7, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Lease with Royal Charter Marine Corporation for Shed Space at Pier 46B

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH ROYAL CHARTER MARINE CORPORATION.

Royal Charter Marine Corporation, a tug and barge operator and a ship's chandler, presently leases 10,800 square feet of shed space at Pier 46B pursuant to a month to month license agreement. Current rent under the existing license is $1,728.00 per month, or $.16 per square foot. The parties have negotiated a new lease (L-11936) for these premises incorporating the Port's standard language with terms as follows:

Term: Five (5) years

Rent: Year 1 - $2,700.00 per month ($.25 p.s.f.)
Year 2 - $3,400.00 per month ($.315 p.s.f.)
Year 3 - $4,168.00 per month ($.386 p.s.f.)
Annual CPI increases thereafter

THIS PRINT COVERS CALENDAR ITEM NO. 10A

The increase over existing rents is indicated below:

	Per Month	Per Year	Percent Increase
Year 1	$ 972	$11,664	56%
Year 2	$1,672	$20,064	97%
Year 3	$2,440	$29,280	141%

Commission action is required to approve a two year phase-in from the current rental rate of $.16 per square foot to the third year rental rate of $.386, which compares to the minimum rental rate of $.35 provided in the Port Leasing Parameters. Port staff believes that this two year phase-in is necessary to give this long term Port tenant the opportunity to more easily absorb this significant rental increase.

Prepared by: Kirk Bennett, Acting Director, Tenant & Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-123

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Royal Charter Marine desires to lease 10,800 square feet of shed space at Pier 46B for a period of five years under terms and conditions acceptable to the Port; therefore be it

RESOLVED, That the Port Commission hereby approves that certain Lease L-11936 and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____
Secretary

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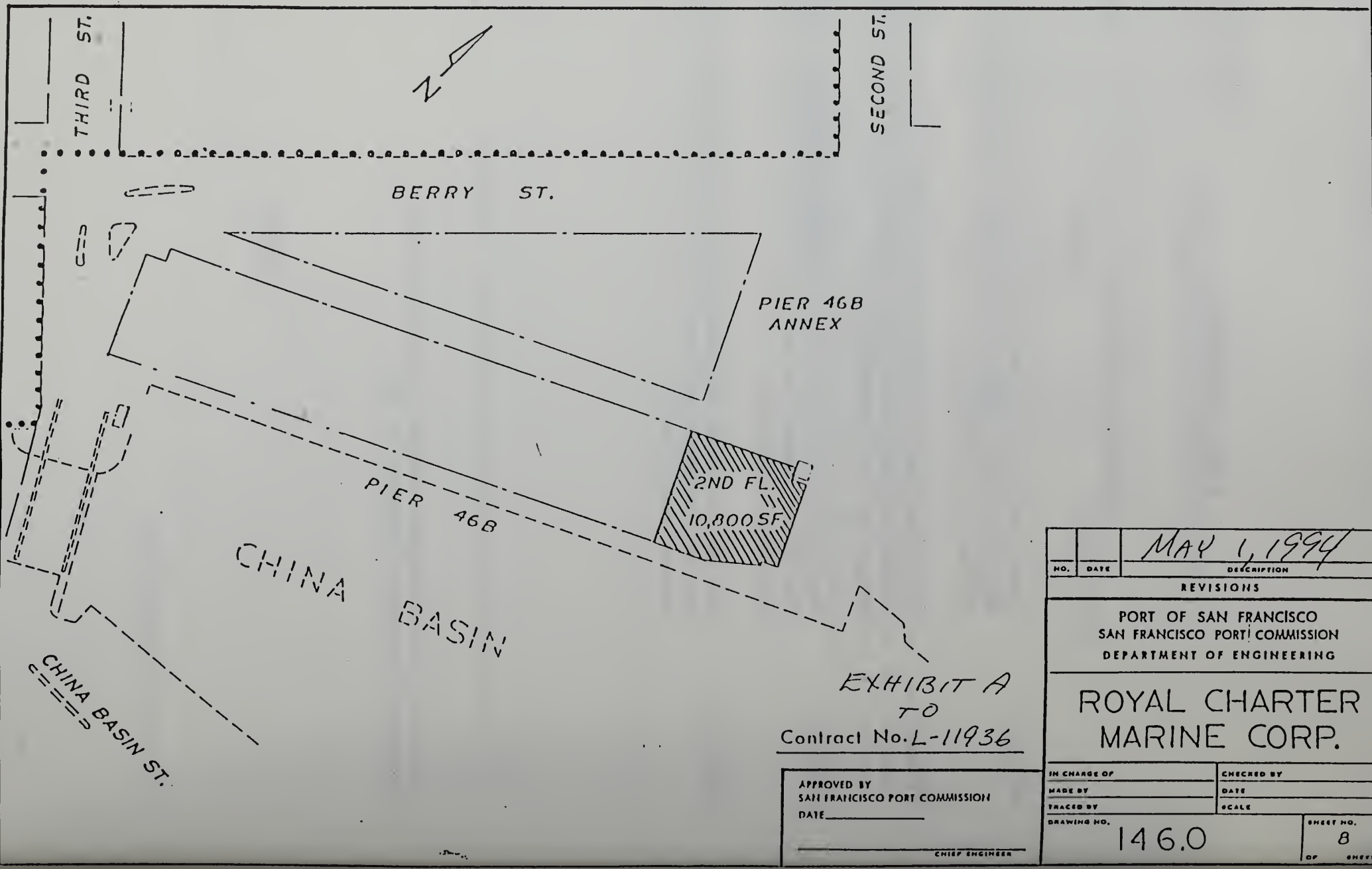

EXHIBIT A
TO
Contract No. L-11936

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____
_____
CHIEF ENGINEER

NO.	DATE	DESCRIPTION
		MAY 1, 1994

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

ROYAL CHARTER MARINE CORP.

IN CHARGE OF	CHECKED BY
MADE BY	DATE
TRACED BY	SCALE
DRAWING NO. 146.0	SHEET NO. 8 OF SHEETS

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

September 7, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Lease with Adrian Ruyle, dba Adrian Studios for Shed Space at Pier 46B

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH ADRIAN RUYLE, DBA ADRIAN STUDIOS.

Adrian Ruyle, an artist, presently leases 4,852 square feet of shed space at Pier 46B pursuant to a month to month license agreement. Current rent under the existing license is $802.33 per month, or $.165 per square foot. The parties have negotiated a new lease (L-11943) for these premises incorporating the Port's standard language with terms as follows:

Term: Three (3) years

Rent: Year 1 $1,213.00 per month ($.25 p.s.f.)
Year 2 $1,500.00 per month ($.31 p.s.f.)
Year 3 $1,875.00 per month ($.386 p.s.f.)

THIS PRINT COVERS CALENDAR ITEM NO. 10B

The increases over existing rents are indicated below:

	Per Month	Per Year	Percent Increase
Year 1	$ 410.67	$4,928.04	51%
Year 2	$ 697.67	$8,372.04	87%
Year 3	$1,072.67	$12,872.04	134%

Commission action is required to approve a two year phase-in from the current rental rate of $.16 per square foot to a third year rental rate of $.386, which compares to the minimum rental rate of $.35 provided in the Port Leasing Parameters. Port staff believes this two year phase-in is necessary to give this long term Port tenant the opportunity to more easily absorb this significant rent increase.

Prepared by: Kirk Bennett, Acting Director
Tenant & Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-124

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Adrian Ruyle, dba Adrian Studios desires to lease 4,852 square feet of shed space at Pier 46B for a period of three years under terms and conditions acceptable to the Port; therefore be it

RESOLVED, That the Port Commission hereby approves that certain Lease L-11943 and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____
Secretary

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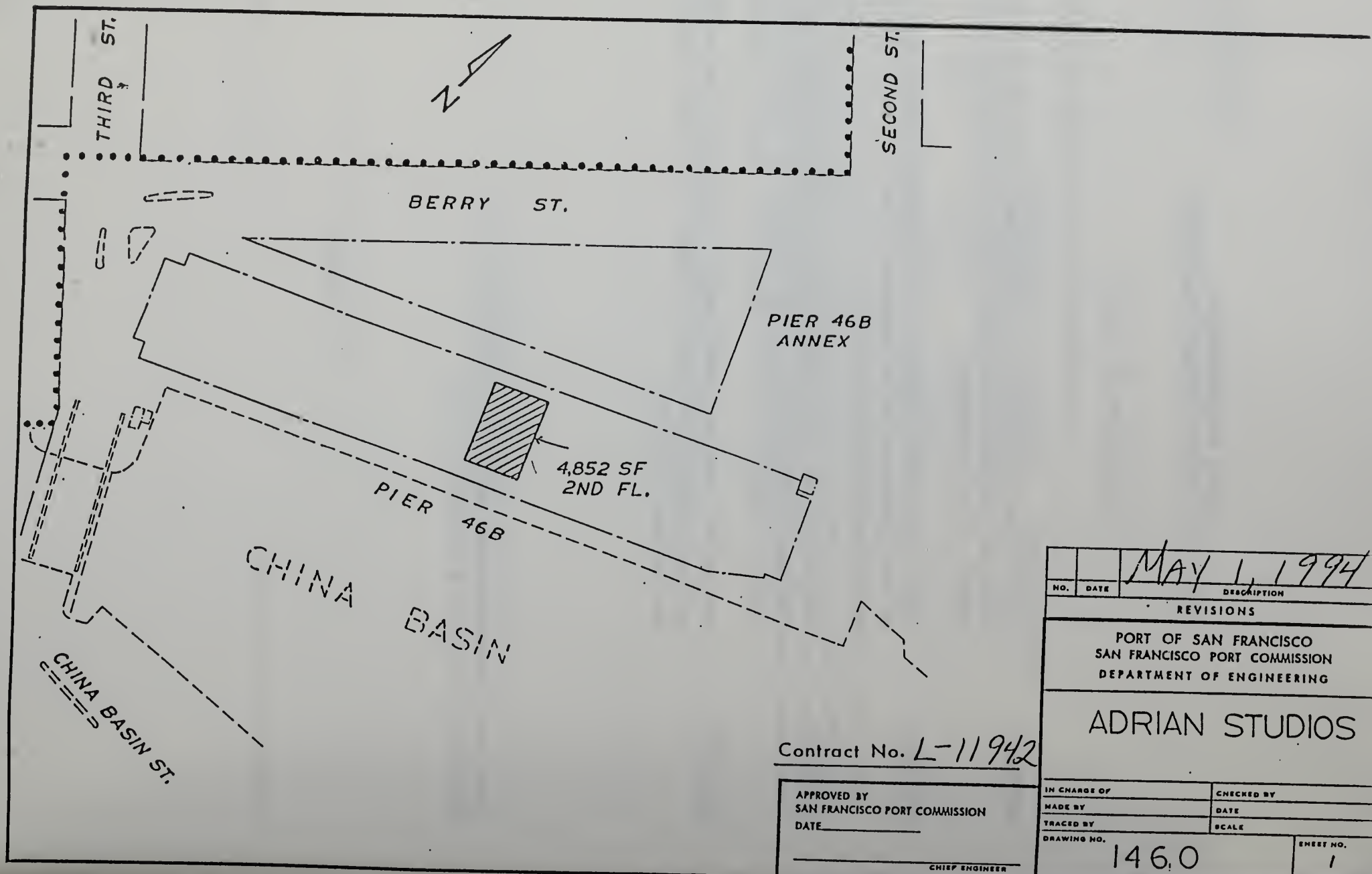

NO.	DATE	DESCRIPTION
		MAY 1, 1994

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

ADRIAN STUDIOS

Contract No. L-11942

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

_____
CHIEF ENGINEER

IN CHARGE OF	CHECKED BY
MADE BY	DATE
TRACED BY	SCALE
DRAWING NO. 1460	SHEET NO. 1 OF SHEETS

PORT OF SAN FRANCISCO

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MEMORANDUM

September 7, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Lease with Great American Navigator Company, Inc. at Pier 54½

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH GREAT AMERICAN NAVIGATOR COMPANY, INC.

Great American Navigator Company, Inc. (formerly known as B & I Boats), a boat building, repair and boat storage operator, presently leases 2,254 square feet of shed space and 5,864 square feet of open yard space at Pier 54 ½ pursuant to a month to month license agreement. Current monthly rent under the existing license is $1,037.20. The parties have negotiated a new lease (L-11966) for these premises incorporating the Port's standard language with terms as follows:

Term: Five (5) years

Base Rent:

September 1, 1994 - February 28, 1995 -	$1,442.00
March 1, 1995 - August 31, 1995 -	$1,555.00
September 1, 1995 - August 31, 1996 -	$1,667.00

Annual CPI increases thereafter

THIS PRINT COVERS CALENDAR ITEM NO. 10C

Percentage Rent (versus Base Rent):

Type of Sale	Percentage Rent
Boat Storage	20%
All other Sales	10%

The increase over existing rents are indicated below:

Period	Per Month	Per Year	Percent Increase
9-1-94 to 2-28-95	$404.80	$4,857.60	39%
3-1-95 to 8-31-95	$517.80	$5,535.60	50%
9-1-95 to 8-31-96	$629.80	$2,557.60	61%

Commission action is required to approve a one year phase-in from the current rate of $.20 for shed space and $.10 for open yard space to $.35 for shed space and $.15 for open yard space, which equals the minimum rental rates provided in the Port Leasing Parameters. Port staff believes that this one year phase-in is necessary to give this long term Port tenant the opportunity to more easily absorb this significant rent increase.

Prepared by: Kirk Bennett, Acting Director, Tenant & Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-103

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Great American Navigator Company, Inc. desires to lease 2,254 square feet of shed space and 5,864 square feet of open yard space at Pier 54 1/2 (China Basin Street) for a period of five years under terms and conditions acceptable to the Port; therefore be it

RESOLVED, That the Port Commission hereby approves that certain Lease L-11966 and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____
Secretary

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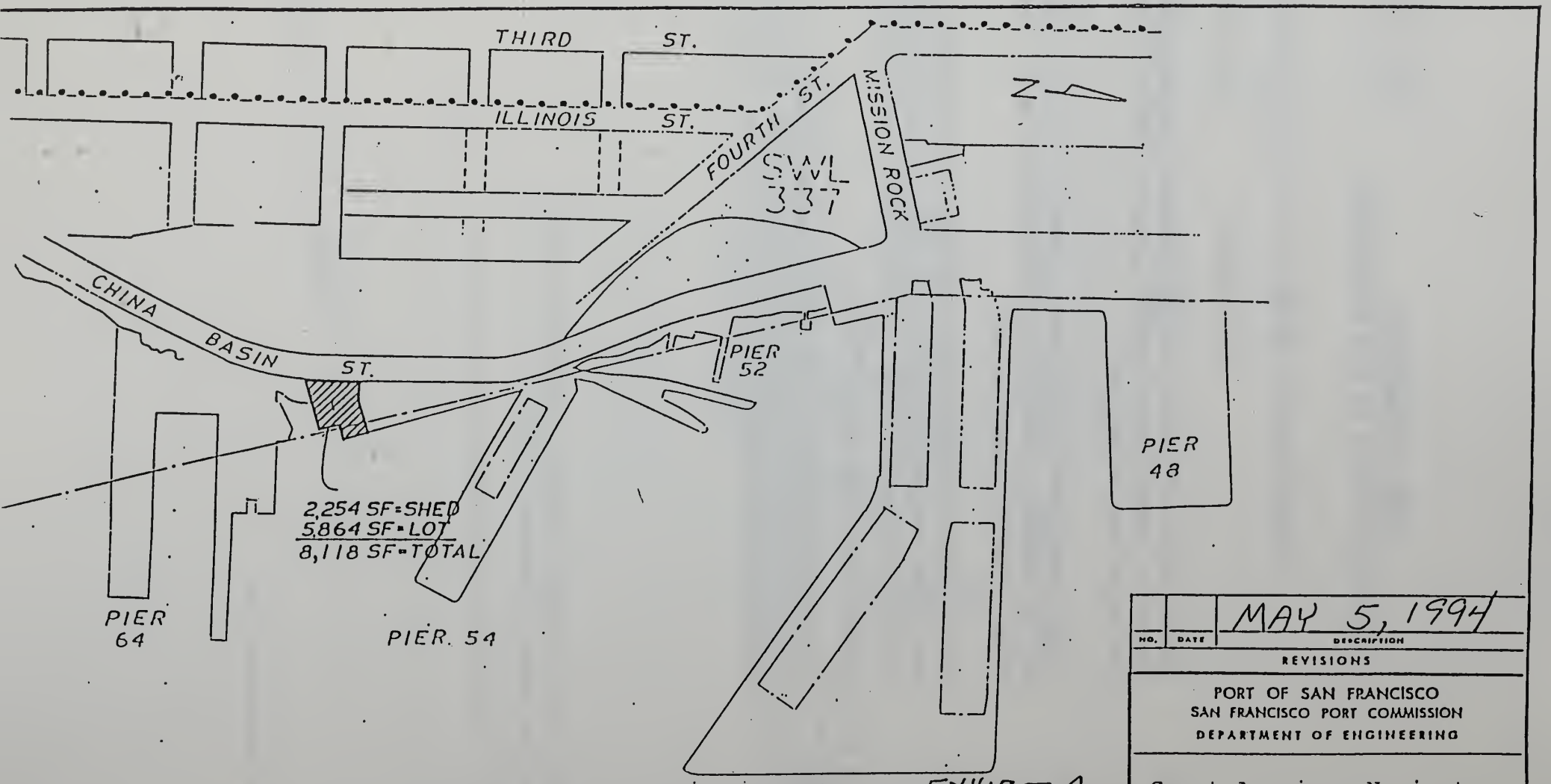

EXHIBIT A
TO
Contract No. L-11966

NO.	DATE	DESCRIPTION
		MAY 5, 1994

REVISIONS

PORT OF SAN FRANCISCO
SAN FRANCISCO PORT COMMISSION
DEPARTMENT OF ENGINEERING

Great American Navigator Company

IN CHARGE OF	CHECKED BY
MADE BY	DATE
TRACED BY	SCALE
DRAWING NO. 1545	SHEET NO. 2 OF SHEETS

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE_____

CHIEF ENGINEER

PORT OF SAN FRANCISCO

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MEMORANDUM

September 7, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Adoption of 1994-95 Rental Rate Schedule

DIRECTOR'S RECOMMENDATION: ADOPT THE 1994-95 RENTAL RATE SCHEDULE

On September 8, 1993, the Port Commission approved Leasing Parameters, which included a Rental Rate Schedule, and authorized the Executive Director to approve and execute leases which conform to the Leasing Parameters. The resolution approving these Leasing Parameters required annual review and adoption of the Rental Rate Schedule.

Attached for Commission consideration is the Rental Rate Schedule proposed for 1994-95. The changes proposed in the 1994-95 Rental Rate Schedule reflect the results of market surveys conducted by staff and by independent firms, as well as staff's direct experience in marketing and leasing Port properties.

Prepared by: Kirk Bennett, Acting Director, Tenant & Maritime Services

THIS PRINT COVERS CALENDAR ITEM NO. 10D

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-129

WHEREAS, by Resolution No. 93-127, adopted September 8, 1993, this Commission authorized the Executive Director to approve and execute leases which conform to Leasing Parameters set forth in said Resolution No. 93-127; and

WHEREAS, said Leasing Parameters provide that leases so approved and executed shall have rents that conform to the Rental Rate Schedule adopted annually by the Port Commission; and

WHEREAS, Staff has performed and reviewed market surveys and recommended a 1994-95 Rental Rate Schedule as attached hereto; now therefore be it

RESOLVED, that this Commission hereby approves and adopts the 1994-95 Rental Rate Schedule, including the 1994-95 Minimum Net Effective Rental Rate Schedule, attached hereto as Attachments I and II respectively.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994

_____
Secretary

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1994-95 RENTAL RATE SCHEDULE

LOCATION AND TYPE OF SPACE	RATES PER SQ. FT./MONTH*
GROSS (FULL SERVICE) OR NEAR GROSS LEASES	
Ferry Bldg./Agriculture Bldg.	
1st Floor Space	
Exterior	$.70 - 1.30
Interior	$.60 - .90
Storage	$.60 - .70
2nd and 3rd Floor Space	
Water View	$2.00 - 2.50
Partial Water View	$1.75 - 1.85
Embarcadero Orientation	$1.45 - 1.65
Interior	$.90 - 1.35
Southern Waterfront	
401 Terry Francois Blvd.	
Water View	$1.20 - 1.30
Street	$1.00 - 1.10
501 Army Street	$.75 - .90
Pier 70 - Office Building 11	$.40 - .50
NET LEASES	
Pier and Bulkhead North of Ferry Building	
Water View Office	$.90 - 1.25
Embarcadero Orientation Office	$.85 - 1.20
Exterior Office	$.80 - 1.10
Interior Office	$.75 - 1.00
Enclosed (Walled) Shed Space	$.40 - .70
Open Shed Space	$.35 - .45 under 10,000 s.f. $.30 - .35 over 10,000 s.f.
Pier and Bulkhead South of Ferry Building	
Water View Office	$.75 - 1.00
Embarcadero Orientation Office	$.60 - .85
Exterior Office	$.60 - 90
Interior Office	$.55 - .75
Studio/Storage	$.40 - .70
Open Shed Space	$.35 - .45 under 10,000 s.f. $.30 - .35 over 10,000 s.f.
General Space	
Open Space, Paved/Unpaved-North of China Basin	$.15 - .30
Open Space, Paved/Unpaved-South of China Basin	$.10 - .25
Apron Space	$.15 - .18

* Range based on location and condition of space; assumes painting and upgrading of floor covering by Port as necessary.

ATTACHMENT I

1994-95 MINIMUM NET EFFECTIVE RENTAL RATE SCHEDULE

LOCATION AND TYPE OF SPACE	MINIMUM NET EFFECTIVE RENT/SQ. FT./MONTH*
GROSS (FULL SERVICE) OR NEAR GROSS LEASES	
Ferry Bldg./Agriculture Bldg.	
1st Floor Space	
Exterior	$.70
Interior	$.60
Storage	$.60
2nd and 3rd Floor Space	
Water View	$1.80
Partial Water View	$1.55
Embarcadero Orientation	$1.30
Interior	$.80
Southern Waterfront	
401 Terry Francois Blvd.	
Water View	$1.10
Street	$.95
501 Army Street	$.70
Pier 70 - Office Building 11	$.40
NET LEASES	
Pier and Bulkhead North of Ferry Building	
Water View Office	$.80
Embarcadero Orientation Office	$.75
Exterior Office	$.70
Interior Office	$.65
Enclosed (Walled) Shed Space	$.40
Open Shed Space	$.35 $.30
Pier and Bulkhead South of Ferry Building	
Water View Office	$.65
Embarcadero Orientation Office	$.50
Exterior Office	$.50
Interior Office	$.45
Studio/Storage	$.40
Open Shed Space	$.35 $.30
General Space	
Open Space, Paved/Unpaved-North of China Basin	$.15
Open Space, Paved/Unpaved-South of China Basin	$.10
Apron Space	$.15

* After consideration of tenant improvement allowances or any other necessary rent adjustments.

ATTACHMENT II

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

September 6, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Construction Contract No. 2601, Approving a Declaration of Emergency for the Replacement of a Water Supply Line at Pier 35.

DIRECTOR'S RECOMMENDATION: DIRECTOR RECOMMENDS THAT THE COMMISSION APPROVE THE DECLARATION OF AN EMERGENCY TO ALLOW A CONTRACTOR TO REPLACE THE WATER SUPPLY LINE AT PIER 35.

Ships docking at the Pier 35 Passenger Terminal require water supplied from the shore. The existing line has deteriorated to the point that it cannot provide adequate water to visiting ships. The Port will receive several large passenger ships beginning on September 17, 1994. The Port maintenance staff does not have the resources to replace this line by the required date. The engineering staff recommends for public health and safety, that 500 linear feet of existing pipe be replaced by emergency contract.

Funds for the emergency contract, estimated to cost approximately $35,000, are available in the Port's Operating Budget.

Prepared by: Cliff Jarrard

THIS PRINT COVERS CALENDAR ITEM NO. 10E

agd-2601.cj

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-130

WHEREAS, ships docking at the Pier 35 Passenger Terminal require water supplied from the shore; and

WHEREAS, the existing line has deteriorated to the point that it cannot provide adequate water to visiting ships; and

WHEREAS, the Port will receive several large passenger ships beginning on September 17, 1994; and

WHEREAS, the Port maintenance staff does not have the resources to replace this line by the required date; and

WHEREAS, Port engineering staff recommends for reasons of health and safety that the water line be replaced immediately by emergency contract; and

WHEREAS, contractors will be invited to submit bid proposals on an emergency basis in accordance with Section 6.30 of the administrative code of the City and County of San Francisco, therefore be it

RESOLVED, that the Commission ratify the action of the President of the Commission contained in the letter to the Controller dated August 22, 1994 and authorizes the Executive Director to accept and approve the work after completion.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____
Secretary

agd-2601.cj

PORT OF SAN FRANCISCO

MEMORANDUM

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San Francisco, CA 94111
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TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Authorization to apply for, accept and expend funds from the Economic Development Administration, U.S. Department of Commerce and the Office of Strategic Technology, California Trade and Commerce Agency for repair of cranes to the Pier 70 ship repair facility.

DIRECTOR'S RECOMMENDATION: **AUTHORIZE STAFF TO PROCEED WITH GRANT REQUEST TO THE ECONOMIC DEVELOPMENT ADMINISTRATION AND OFFICE OF STRATEGIC TECHNOLOGY FOR REPAIR OF THE PIER 70 CRANES AND TO ACCEPT AND EXPEND FUNDS RECEIVED FROM THESE AGENCIES.**

BACKGROUND:

In October 1993, the Port Commission authorized staff to proceed with a grant application to the Economic Development Administration, U.S. Department of Commerce (hereinafter "EDA") for Title IX defense conversion funds for repair of Drydock #1 (the smaller drydock) and cranes at the Pier 70 shipyard (Port Commission Resolution No. 93-138). An application requesting a grant in the amount of $1.5 million with a match by the Port in the amount of $500,000 was submitted to EDA subsequent to the Commission's action. The application was approved by the regional office and was pending further review by the agency in Washington, D.C. when the ship repair tenant at Pier 70, San Francisco Drydock informed the Port of their need to renegotiate their lease due to reductions in defense work.

The Port suspended further action on the grant application during lease negotiations to ensure that the improvements could be used by the industry on a long term basis. The time was also used to undertake further study of the benefits of investing in repairs to Drydock #1. Based on this study and the availability of EDA's funds

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for the 1994-1995 Fiscal Year, staff is recommending that the scope of the grant application be revised to include work on the cranes and not Drydock #1 at the Pier 70 facility. The total project cost is estimated to be $2 million.

PROPOSED SCOPE OF WORK FOR GRANT APPLICATION

The six gantry cranes (25-60 tons lifting capacity) that need repair serve both drydocks at the yard and are critical to the shipyard's operations and its ability to attract commercial ship repair work to offset losses from base closures. The majority of the cranes were built and purchased in the 1940s and are owned by the Port and San Francisco. San Francisco Drydock has maintained them since the departure of Todd Shipyard.

The crane servicing Drydock #1 is presently out of service due to structural and mechanical problems. Two cranes servicing Drydock #2, the larger drydock, need to be repaired to ensure continued utilization of that drydock for larger size commercial vessels. The proposed repair work includes:

- Installation of new travel trucks.
- Replacing defective cab roller bushings.
- Repairing and upgrade of all mechanical controls and electrical systems.
- Repair of major structural deterioration and damage to the cab assembly and boom.

PROJECT FINANCING

As required by EDA, twenty five percent of the project costs ($500,000) must be covered by local or State funds. With the Commission's approval, staff will pursue $250,000 funding from defense conversion programs at the State level through the competitive program administered by the Office of Strategic Technology, California Trade and Commerce Agency. If the Port is unsuccessful in obtaining the State matching funds, it would need to commit the full $500,000 from the Accumulated Surplus in the Operating Fund.

Prepared by: Veronica Sanchez, Manager
Legislative Affairs

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
Resolution No. 94-131

WHEREAS, Reductions in defense work, the closure of Alameda Naval Air Station and Treasure Island; and redeployment of ships at Concord Naval Weapons Station will reduce the availability of work for the Port of San Francisco's shipyards; and

WHEREAS, The Port recognizes the importance of maintaining ship repair work as an industrial base of employment and revenue for our region and supports efforts being taken by the industry to pursue new market opportunities in commercial and/or government work; and

WHEREAS, Improvements to the cranes at Pier 70 costing $2 million are needed for the continued operation of the shipyard and its ability to retain employment and replace lost jobs; and

WHEREAS, The Port seeks to fund these improvements with Federal funds from the Economic Development Administration (EDA), U.S. Department of Commerce's Title IX Sudden and Severe Economic Dislocation Defense Adjustment Implementation Program aimed at retaining and enhancing job opportunities in communities affected by base closures; and

WHEREAS, The Port will seek matching funds ($250,000) from the California Trade and Commerce Agency, Office of Strategic Technology's "Defense Conversion Matching Program"; and

WHEREAS, If the Port is awarded a grant from EDA it will commit funds from its Accumulated Surplus Fund in the Operating Fund to meet the 25% match requirements set by EDA; now therefore be it

RESOLVED, That the San Francisco Port Commission authorizes the Executive Director of the Port of San Francisco to apply for, accept and expend funds from the Economic Development Administration and the State Office of Strategic Technology to fund $2 million in repairs to the cranes at the Pier 70 ship repair facility.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

September 8, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Refunds and Allowances Report - July 1994

DIRECTOR'S RECOMMENDATION: APPROVE REFUNDS AND ALLOWANCES REPORT

Attached, for your approval, is the Refunds and Allowances report for the period ending July 31, 1994.

Prepared by: Ben Kutnick

THIS PRINT COVERS CALENDAR ITEM NO. 10G

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-114**

RESOLVED, that the San Francisco Port Commission hereby approves the July 1994 Refunds and Allowances report.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 13, 1994.

_____
Secretary

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
July 31, 1994

REVENUE TYPE	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
1. Cargo Facility Rent				0
2. Commercial Rent	$ 6,039	$ 11,569	$ 14	$ 17,622
3. Container Crane Rental				0
4. Demurrage		416		416
5. Dockage		561		561
6. Electrical Power Service				0
7. Facility Damage				0
8. Fishing Boats		1,155	2	1,157
9. Fish Facility Rent				0
10. Maritime Related Rent				0
11. Maritime Rent				0
12. Misc. Services to Tenants				0
13. Miscellaneous Revenue				0
14. Parking Stalls		596	10	606
15. Penalty Charges		226	87	313
16. Percentage Rentals		11,062		11,062
17. Permits				0
18. Security Deposits		8,984		8,984
19. Service Charges		183	262	445
20. Ship Repair				0
21. Wharfage - Cargo				0
22. Wharfage - Non-Cargo				0
	$ 6,039	$ 34,752	$ 375	$ 41,166

ATTACHMENT 1

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JULY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
COMMERCIAL RENT						
1. Empire Electric Co.	479428	To issue credit for invoice #478007 due to incorrect rental charge. (Re-billed under invoice #479306 for $1,267.00).		$ 599		$ 599
2. Uesugi, Daniel	479430	To issue credit for tenant improvement allowance for carpet installation.	$ 1,580			1,580
3. Cavallini & Co.	479433	To issue credit for tenant improvement allowance for plaster repair.	600			600
4. Dwares, Peter	479437	To issue credit for tenant improvement allowance for carpet installation.	553			553
5. Gannet Outdoor Co.	479439	To credit various rental billings because tenant was billed for signs that were removed for the waterfront transportation project.		2,297		2,297
6. Birnberg and Associates	479442	To issue credit for tenant improvement allowance for carpet installation from May 1994 through July 1994 @$772.50/mo	2,318			2,318
7. Calif. State Dept. of Correction	479450	To issue partial credit for invoice #474874 for May and full credit for invoice #476551 for June 1994 because tenant terminated lease effective 5/21/94.		2,188		2,188
8. Carrara Marble Co.	479460	To credit invoice #477717 due to duplicate billing of invoice #477558.		893		893
9. Metropolitan California Stevedore Co.	480361	To cancel invoice #479409 because it was billed to the wrong account. (Re-billed to California Stevedore & Ballast for the same amount).		2,523		2,523
10. Data Associates	480388	To credit various invoices because tenant vacated space 1/94.		1,896		1,896
11. Tsuchiya, Julie	480392	To credit invoice #476655 due to duplicate billing of invoice #477539. Tenant was billed twice under old & new lease.		600		600
12. Seven (7) invoices under $500	Various		988	573	$ 14	1,575
Subtotal CRNT			6,039	11,569	14	17,622

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JULY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
DEMURRAGE						
1. Two (2) invoices under $500	Various			416		416
Subtotal DEMR			0	416	0	416
DOCKAGE						
1. Two (2) invoices under $500	Various			561		561
Subtotal DOCK			0	561	0	561
FISHING BOATS						
1. Eight (8) invoices under $500	Various			1,155	2	1,157
Subtotal FISH			0	1,155	2	1,157
PARKING						
1. Ten (10) invoices under $500	Various			596	10	606
Subtotal PSTL			0	596	10	606
PENALTY CHARGE						
1. Seventeen (17) invoices under $500	Various			226	87	313
Subtotal PCHG			0	226	87	313

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
JULY 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
PERCENTAGE RENTALS						
1. City of Vallejo	479462	To credit invoice #479305 due to duplicate billing of invoice #479329. Duplicate billing requests were submitted.		2,681		2,681
2. Pier 23 Cafe	480364	To credit invoice #476075 due to duplicate billing of invoices #474810 and #476024.		3,800		3,800
3. Saint Francis Marine Center	480389	To credit invoice #479354 due to duplicate billing of invoice #479321.		4,581		4,581
Subtotal PERC			0	11,062	0	11,062
SECURITY DEPOSITS						
1. Metropolitan California Stevedore Co.	480360	To cancel invoice #479410 because it was billed to the wrong account. (Re-billed to California Stevedore & Ballast for the same amount).		3,984		3,984
2. City of Vallejo	479461	To credit invoice #479304 due to duplicate billing of invoice #479330. Duplicate billing requests were submitted.		5,000		5,000
Subtotal PREP			0	8,984	0	8,984
SERVICE CHARGE						
1. Twenty four (24) invoices under $500	Various			183	262	445
Subtotal SERV			0	183	262	445
TOTAL CREDIT MEMOS - JULY 1994			$ 6,039	$ 34,752	$ 375	$ 41,166

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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MINUTES OF THE MEETING
SEPTEMBER 13, 1994

1. **ROLL CALL**

The meeting was called to order by Vice President Anne Halsted at 4:05 p.m. The following Commissioners were present: Anne Halsted, Frankie Lee, and Michael Hardeman. Commissioner Frank O'Neill arrived at 4:20 p.m., at the start of the Executive Session. Commissioner Preston Cook was absent.

2. **APPROVAL OF MINUTES** - August 9, 1994 Regular Meeting

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All Commissioners in favor; minutes of the August 9, 1994 Regular Meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Mr. Bouey informed the Commission that the federal government has published proposed rules that concern the security of the cruise business. Much like airports especially after the Achille Lauro incident, there's concern that cruise ships could be a target for potential terrorists. In response, the federal government has developed proposals to tighten security for such vessels, among them: checking of luggage and having passengers walk through magnetometers. In short, the amount of money that would have to be spent to meet the rules as contemplated would go well into seven figures. Unlike the airline industry where the regulations target the airlines, in this case, they have targeted that the ports be responsible for more stringent security. In some ports, the shipping lines have formed consortiums and would ultimately be responsible for the security under the terms of those agreements with those ports; but no such agreement exists in San Francisco. A public hearing is scheduled for Friday, September 16, in Seattle for ports and members of the public to voice their concerns and views on these proposed rules and that Veronica Sanchez will be attending. The general gist of our comment is that while we think the improved security is important, at the same time, it ought to be targeted to those truly responsible as in the airline industry.

Commissioner Halsted welcomed Commissioner Hardeman to the Port Commission and looks forward to his constructive participation.

4. **SPECIAL ITEM**

5. **LEGISLATION**

A. Resolution supporting passage of proposed Federal legislation Water Resources Development Act 1994 to clarify that the Federal government must share the cost and responsibility for providing dredged material disposal areas at upland disposal sites (Resolution No. 94-127)

The proposed amendment would require the federal government to pay 75% of the cost for the acquisition and construction of upland disposal sites for dredged materials. The Corps of Engineers has interpreted the existing law such that project sponsors are required to pay the entire cost for making all the necessary construction improvements for upland dredging material. If the existing law is not changed, it is staff's opinion that it will be extremely difficult for entities to develop disposal sites needed to accommodate dredged material not suitable for Alcatraz. More importantly, today there are no readily available upland disposal sites. As well, the amendment is strongly supported by ports throughout the nation as well as the American Association of Port authorities.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

B. Resolution supporting passage of proposed Federal legislation (Schenck Amendment) to preempt State regulation of gaming on cruise ships travelling to a foreign nation during travel between California Ports (Resolution No. 94-128)

Mr. Bouey stated that in 1992, Governor Wilson signed legislation designed to prohibit gambling cruises to nowhere, i.e. ships that would leave a port, such as San Francisco, permit gambling and then return to the same port. An unattended side effect of that legislation was it also prohibited gambling on foreign flag vessels that sailed between California ports. The proposed amendment to the federal legislation would allow gambling on cruise ships between California ports provided that the ship returns to another state or foreign country within three days of leaving California. While San Francisco has not been drastically hit in the recent past, we fear that future business is threatened. Subsequent to the preparation of the package, staff received a letter from one of our cruise ship companies that indicated that they may well cancel future calls if they are not permitted to allow gambling between California ports. Mr. Bouey noted that Los Angeles, Catalina and San Diego ports are all in support of this legislation.

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All Commissioners in favor; the resolution was adopted.

6. **TENANT & MARITIME SERVICES**

A. Approval of Addendum No. 3 to Request for Proposals to Lease Mission Rock Resort located at 817 Terry Francois Blvd. to provide for a substitute RFP document. (Resolution No. 94-120)

Last March, the Port Commission approved an RFP for the Mission Rock Resort. Subsequent to that, staff met with potential proposers who raised a number of issues that revolve around hazardous materials, the marina, base rent during the Improvement Period and code violations. Staff, after listening to these comments, has decided that it would be beneficial to the Port and potential proposers to make changes to the RFP so that we, hopefully, can realize a more successful project. The major changes are: (1) We will now allow a credit of up to $10,000 to cover the abatement costs of asbestos, if discovered. (2) We will limit the building, whether it be renovated or a complete rebuild, to only above-slab improvements. 3) We will allow for a minimum rent of $3,000 per month for the first two years, following the Improvement Period. 4) The minimum acceptable bid for this project, after those two years is $5,000 per month with COLA's every three years. 5) During the Improvement Period, there is no base rent but we will charge a percentage rent of 7% due on all sales; and, as well, the marina must be operated to the extent practicable. 6) We will give a rent credit of up to $250,000 against the base rent for marina improvements. Because of the condition of the marina as well as ADA requirements,

staff believes it will cost nearly $250,000 to improve the marina.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

7. **FACILITIES & OPERATIONS**

A. Contract No. 2591, "Pier 26 and 28, Removal of Lead Contaminated Soils from Roofs," authorization to reject the bid of OGISO at $248,000 and the bid of Universal Environmental at $439,578 (adjusted preference of $395,620.20), both for being non-responsive and awarding to the third low bidder of Ramcon Engineering and Environmental Contracting at a cost of $418,450.50. (Resolution No. 94-126)

This contract is to remove contaminated soils from the roofs of Piers 26 and 28. As pointed out in the package, the low bid has been rejected for a lack of a bid bond and their bid of $248,000 is substantially lower than the other bids, which indicate that perhaps there was an error in compiling the bid. The second bidder is being rejected for a lack of work plan, which was a requirement of the bid. Mr. Bouey therefore recommended that the third bidder, Ramcon Engineering and Environmental, be awarded the contract.

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All Commissioners in favor; the resolution was adopted.

8. **PLANNING & DEVELOPMENT**

9. **ADMINISTRATION**

10. **CONSENT CALENDAR**

A. Approval of Lease with Royal Charter Marine Corporation at Pier 46B, located at Berry Street and 2nd Street. (Resolution No. 94-123)

B. Approval of Lease with Adrian Ruyle, dba Adrian Studios at Pier 46B, located at Berry Street and 2nd Street. (Resolution No. 94-124)

C. Approval of Lease with Great American Navigator Co., Inc. at Pier 64N, located at Terry Francois Blvd. at Eldorado Street. (Resolution No. 94-103)

D. Adoption of 1994-95 Rental Rate Schedule as required by Port Commission Standard Leasing Policy (Resolution No. 94-129)

E. Contract No. 2601, approving a Declaration of Emergency for the replacement of a water line at Pier 35 to serve passenger ships at an estimated cost of $35,000. (Resolution No. 94-130)

F. Authorization to Apply for, Accept and Expend Funds from the Economic Development Administration, US Department of Commerce and Office of Strategic Technology, California Trade and Commerce Agency to Improve Cranes at Pier 70 Ship Repair Facility (Resolution No. 94-131)

G. Approval of Refunds and Allowances for the period ending July 31, 1994 (Resolution No. 94-114)

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All Commissioners in favor; all of the resolutions on the Consent Calendar were adopted.

11. **NEW BUSINESS**

Mr. Bob Tibbits, President of Telegraph Hill Dwellers, lodged a complaint about the sign that has been painted on the side of Pier 39 garage. Pier 39 hired a muralist who painted the entire east side of the structure with the depiction of a whale, done in acrylic paint and very flashy. He believes that no permits were authorized for this painting and that this could be in violation of the San Francisco City Sign Ordinance and it may require a civic design review of the Arts Commission. Mr. Tibbits requested that staff look into this closely and report back to the Commission whether or not abrogation or ignorance on the conditions of the lease exists.

Mr. Bouey stated that staff will look into it and issue a written report to the Commission.

12. **EXECUTIVE SESSION**

At 4:20 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matter:

A. PUBLIC EMPLOYEE APPOINTMENT

1) Confirmation of Appointment of Director of Tenant and Maritime Services

The City Attorney has advised that an executive session of this matter is specifically authorized under California Government Code Section 54957.

B. Closed Session; Public Report of Action Taken (California Government Code Section 54957.1)

Commissioners Halsted, O'Neill, Lee and Hardeman returned from executive session and convened in public session at 4:59 p.m. Commissioner Halsted announced that the Commission unanimously voted to ratify the decision of the Executive Director to hire Mr. Fred White for the Director of Tenant and Maritime Services position.

The meeting was adjourned at 5:02 p.m.

SAN FRANCISCO PORT COMMISSION

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REGULAR MEETING
4:00 P.M., SEPT. 27, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - September 13, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

4. **SPECIAL ITEM**

   A. Presentation of the Ferry Building Renovation Alternatives

5. **TENANT & MARITIME SERVICES**

   A. Approval of Lease with Bundox, Inc. (dba Waterfront Restaurant) at Pier 7½ (Resolution No. 94-133)

6. **FACILITIES & OPERATIONS**

7. **PLANNING & DEVELOPMENT**

   A. Hyde Street Harbor and Pier 45 EIR contract (Resolution No. 94-125)

8. **ADMINISTRATION**

9. **CONSENT CALENDAR**

   A. Consent to sublease by Southwest Marine, Inc. to LIPS Propellers at Pier 70 (Resolution No. 94-135)

   B. Approval of travel to Washington, D.C. for two Representatives of the San Francisco Port Commission (Resolution No. 94-136)

   C. Approval of Refunds and Allowances for the period ending August 31, 1994 (Resolution No. 94-137)

10. **NEW BUSINESS**

11. **EXECUTIVE SESSION**

    A. Conference with Real Property Negotiator

Property: Port property located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
Person Negotiating:
Port of San Francisco Representative: James Lazarus, Director Special Projects
Port of Oakland Representative: Leo Brien, Director of Maritime

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland, located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal). The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

B. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero station located at Market and Spear Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American sign language interpreters
- A sound enhancement system
- Minutes of the meeting in alternative formats
- The use of a reader during the meeting
- Large print of copy of an agenda

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

PORT OF SAN FRANCISCO

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MEMORANDUM

September 27, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey, Executive Director

SUBJECT: Informational presentation on Ferry Building Project Alternatives

DIRECTOR'S RECOMMENDATION: Informational presentation only; no action required.

Project Description
The historic renovation of the Ferry Building has been a long time goal of the San Francisco Port Commission. The Port was awarded a $1.0 million federal grant to fund preliminary design, engineering and environmental review for the project.

On January 12, 1994 the Port Commission approved Resolution No. 94-4 which authorized the staff to enter into a contract with a 14 member consulting team led by Polshek and Partners Architects to conduct preliminary design and feasibility analysis of the Ferry Building Restoration project.

The key members of the preliminary design and feasibility team include: Polshek and Partners Architects (project management and architecture); ROMA Design Group (open space and urban design); Keyser Marston Associates (real estate market and financial analysis);

THIS PRINT COVERS CALENDAR ITEM NO. 4A

Cervantes Design Associates (community outreach); and Architectural Resources Group (historic architecture). The team also includes engineering, cost estimating and regulatory approvals subconsultants.

Phase I: Development and Evaluation of Strategic Alternatives

The purpose of the first phase of work was to develop several viable alternatives for the renovation of the Ferry Building, and to provide a clear evaluation of the trade offs and issues associated with each alternative. This work included market and economic analysis, conceptual design and engineering for a number of physical and market concepts for the building. Each of the alternatives achieves the following objectives:

- restores the historic western facade facing the Embarcadero
- creates a central concourse through the building linking the Cityside of the building with the waterside
- provides a civic gateway that connects waterborne and Cityside transit
- dedicates the ground level to publicly oriented uses
- achieves partial or full restoration of the two-story interior "nave" on the second floor.

The following alternatives were analyzed.

Alternative I - Includes full building and seismic upgrade. Ground floor uses include transit and visitor services, a market hall complex, restaurants and retail. Entertainment, conference center and office uses are on the upper levels.

Alternatives II and IIA - Includes full building and seismic upgrade. Ground floor uses include transit and visitor services, a market hall complex, restaurants and retail. Class A offices are on the upper levels.

Alternative III - Is the first of a two-phased redevelopment program. The physical upgrade includes renovation of the ground floor and facade restoration improvements to the entire building. Because the upper floors of the building are not renovated, existing long term tenants can be retained, including the Port. In addition to these tenants, there are ground floor retail and entertainment uses.

Alternative IV - Is the first of a different two-phased redevelopment program. The south wing is fully renovated, including seismic renovation. The entire building's facade is restored. The development program includes retention of the existing long term tenants, including the Port. In addition to the long term tenants, there are entertainment and conference center uses in the building.

Next Steps

The Port staff will focus the work effort in Phase II on detailed physical investigations and cost estimating, federal fundraising, future developer solicitation and preliminary regulatory review and approvals. Key design issues will also be addressed, such as the design of the main concourse in the center of the building. Phase II will be conducted concurrently with environmental review of the project, which is now beginning. On July 12, 1994 the Port Commission approved Resolution No. 94-88, which authorized the execution of a contract with Public Affairs Management to prepare the required environmental documents for this project.

Prepared by: Sharon Lee Polledri,
Director of Planning and Development

PORT OF SAN FRANCISCO

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MEMORANDUM

September 19, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Michael Hardeman
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Lease with Bundox Restaurant, Inc., dba the Waterfront Restaurant, at Pier 7½

DIRECTOR'S RECOMMENDATION: ADOPTION OF NEGATIVE DECLARATION AND APPROVAL OF LEASE WITH BUNDOX RESTAURANT, INC.

BUNDOX RESTAURANT

Bundox Restaurant, Inc. ("Bundox") has been a tenant operating the Waterfront Restaurant at Pier 7½ since 1969 under lease No. L-11856, which terminates on March 31, 1995. The premises under this lease contain 4,245 square feet of restaurant space located on the first floor and mezzanine of a two-story building. The current annual base rent under this lease is $53,190 versus percentage rent based on 6% of food sales and 8% of beverage sales. In Fiscal Year 1993-1994, Waterfront Restaurant gross sales totaled $3,486,471, generating total rent to the Port of $227,380. The principal of Bundox is Mr. Al Falchi.

Bundox has requested a new lease at Pier 7½ following the expiration of its existing lease, and has submitted a business plan for a restaurant redevelopment and expansion, which includes a significant investment. Pursuant to the Port Leasing Policy for Retail Sites, Staff has negotiated a renewal lease with Bundox.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

LEASING POLICY FOR RETAIL SITE

On April 28, 1993, the Port Commission approved the Leasing Policy for Retail Sites (Resolution No. 93-52). This policy recognizes the general principle of the Administrative Code that retail leasing opportunities are to be offered through a competitive bid or request for proposal process. However, the policy also allows for the direct negotiation of a lease with an existing retail tenant if the benefits of direct negotiation exceed the benefits of a public offering. For a lease to be awarded to an existing tenant through direct negotiation, the Commission must determine that:

1. The tenant is in good standing;

2. The tenant is committed to making a significant capital investment supported by a sound business plan which will benefit the Port;

3. The tenancy is in the best economic interest of the Port; and

4. The tenant has a good record of affirmative action and nondiscrimination and is committed to future compliance.

As discussed below, Port Staff believes that Bundox and its proposed business plan satisfy the criteria for direct negotiation.

1. Good Standing

Bundox is currently in compliance with all of the obligations of its existing lease. It also has a record of compliance with regulatory mandates. Moreover, it has consistently demonstrated good business practices, provided a dependable level of goods and service, and has provided a welcoming atmosphere to customers of diverse background and ethnicity.

2. Sound Business Plan

The proposed premises are comprised of the entire building in which the existing Waterfront Restaurant is located, portions of the adjacent north and south marginal wharves, the finger pier located at Pier 7½, and a portion of SWL 324 for valet parking. The business plan proposes expansion of the restaurant operation and redevelopment of the premises through a two-phased project at an estimated cost of $3,400,000. Phase I would involve renovation and expansion of the restaurant into the second floor of the existing building at an estimated cost of $2,000,000. Phase II would involve demolition and replacement of the existing finger pier to be used for an outdoor dining area and public access, and the creation of a second outdoor cafe area to the south of the existing building. The cost for the Phase II improvements are estimated at $1,400,000. This cafe area would enhance public access at Pier 7 by making casual dining available to pedestrians through an exterior entrance. The Port would participate in these improvement costs pursuant to its Rent Credit Policy.

3. Best Economic Interest

The fatality rate for restaurants, especially new restaurants and so called "white tablecloth" restaurants is very high. Yet, for twenty-five years, Bundox has been a stable tenant, succeeding in a very competitive market, despite the disruptions caused by the Loma Prieta Earthquake and nearby public works projects. It has in fact established itself as one of the best and most consistently performing restaurants, not only on Port property, but also in San Francisco.

In Fiscal Years 1986/87 through 1988/89, Port restaurant tenants located at Fisherman's Wharf generated an annual average sales of $489 per square foot. By comparison, the Waterfront Restaurant generated sales of $744 per square foot. Only Scoma's exceeded this sales level by generating sales of $922 per square foot.

The California Restaurant Industry Operations Report for 1993, issued by Deloitte and Touche, also supports the strength of the Waterfront Restaurant operation. This report indicates that the median total sales per seat were $5,197 and that the upper quartile sales were $7,788 per seat. By comparison, the Waterfront Restaurant generated $25,000 per seat.

In June 1993, Ernst and Associates, a hospitality/real estate consulting service, reported on trends in San Francisco's white tablecloth restaurants. Most operators interviewed indicated no growth or a decline in annual sales volumes over the past two years. Along the waterfront, including Fisherman's Wharf, restaurants reported a drop in sales of 10-15%, and in North Beach, restaurants reported a drop in sales of 6-10%. The Waterfront Restaurant, however, maintained its sales volume over the past seven years with only a 2% variance.

In addition, based upon its proposed business plan, Bundox expects to significantly increase its sales volume. After the proposed redevelopment and expansion is completed, Bundox expects to generate annual gross sales of $8.8 Million. Based on these sales projections, the Port would realize annual rents of approximately $620,000 before any rent credits.

Port Staff therefore believes that Bundox constitutes the best economic tenant for the site.

4. Affirmative Action

Port Staff has determined that Bundox has a good affirmative action record in employment, purchasing and contracting. In addition, Port Staff has reviewed and approved an Affirmative Action and Nondiscrimination Plan prepared in conjunction with the lease negotiation, which would be enforceable by the lease.

5. Compliance with CEQA

A Final Negative Declaration for the proposed Waterfront Restaurant expansion was adopted and issued by the Department of City Planning on January 20, 1994. The Negative Declaration is attached hereto for review. The Negative Declaration found that there is no substantial evidence that the project could have a significant effect on the environment. No mitigation measures are required.

PROPOSED LEASE

The fundamental business terms and changes from the standard form lease are indicated below:

1. **Premises**

   a. Building: 9,650 s.f (1st floor, mezzanine, and 2nd floor).

   b. Parking and Fire Lane: 2,828 s.f.

   c. Future Outdoor Seating Area, Finger Pier, and Public Access Area: 8,668 s.f (subject to change based on final construction plans).

   d. Valet parking at SWL 324: 3.960 s.f. (which is subject to relocation).

2. **Term**

   a. 20-Year term (5-Year term for valet parking at SWL 324).

   b. Term and rent commence upon occurrence of all of the following: (1) adoption of an ordinance of the Board of Supervisors approving the lease; (2) obtaining BCDC permit and conditional use permit; (3) obtaining financing for Phase I; and (4) issuance of building permit for Phase I improvements. If all of the foregoing have not occurred by July 30, 1995, the Lease shall not become effective.

   c. Termination rights of Port:

      (1) If Phase I improvements are not completed by the end of the 2nd lease year.

      (2) At any time after the 10th lease year in the event that Phase II improvements are not completed by end of the 7th lease year.

3. Use: Restaurant and banquet operation, plus dancing and live entertainment, sale of in-house signature items, and docking of transient vessels.

4. **Base Rent**

   a. Initial Base Rent: $17,500 per month.

   b. Base Rent During Phase I Construction: $5,000 per month until the earlier to occur of beneficial occupancy or 9 months.

   c. Adjustments to Base Rent:

(1) Cost of living adjustments every 3 years

(2) At year 10, Base Rent adjusted to the greater of: (a) cost of living increase; or (b) 50% of average total monthly rent (Base Rent and Percentage Rent) due during the 7th, 8th, and 9th lease years.

d. Rent for Valet Parking at SWL 324 - $600 per month with annual cost of living increases.

5. **Percentage Rent**: 7% of all sales receipts.

6. **Port Participation in Improvement Costs Through Rent Credits**

a. Port will participate in 50% of improvement costs, to a maximum of $1,000,000 for Phase I and a maximum of $700,000 for Phase II.

b. Maximum construction amortization schedule: 40% of monthly Percentage Rent (Percentage Rent due in excess of Base Rent)

c. Maximum amortization period:

(1) One-phase project - Maximum of ten years. (The project shall be considered a one-phase project if construction of Phase II commences less than three years following the completion of the Phase I construction).

(2) Two-phase project - Maximum of seven years for each phase. If Phase II is completed before Bundox has fully amortized Phase I credits, Phase II credits shall not commence until the earlier of the following occurs: (a) Bundox has received full amortization of Phase I credits, or (b) seven years after the completion of Phase I.

7. **Assignment/Sale of Business**

a. Port approval required with the following factors to be included in Port's deliberation: (1) projected gross sales and percentage rent to be paid by assignee; (2) changes in name, reputation, menu, ambiance, and management and operational style.

b. Upon assignment, in connection with the sale of Tenant's business, Base Rent and Percentage Rent factor to be increased to market rates with appraisal provision. Market rates shall reflect the improvements made to the premises.

c. For a 5-year period following assignment, Mr. Al Falchi shall (1) have a management agreement with assignee, (2) personally guarantee the lease, and (3) not act as a principal in another restaurant located within 1,000 feet of the shoreline of Port jurisdiction.

8. **Miscellaneous**

a. Construction performance/completion bond required.

b. Port responsible for maintaining the substructure.

c. Hazardous materials removal performed at Bundox's cost up to maximum of $5,000. Credit against Base Rent for removal costs in excess of $5,000. (Port survey of premises identified some asbestos, which should be removal at any cost of less than $5,000).

d. Hazardous materials indemnity to exclude pre-existing conditions.

A table is attached that presents a scenario illustrating the potential rental stream to the Port resulting from the proposed lease under a Phase I mode.

Prepared by: Kirk Bennett, Acting Director, Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-133**

WHEREAS, Charter Section 3.581 empowers the Port Commission with power and duty to use, conduct, operate,maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the San Francisco Administration Code, Section 23.24, provides that retail sites shall be offered to the public through competitive bidding; and

WHEREAS, the Port remains committed to fostering and encouraging full and equitable opportunity for leasing of retail sites to all businesses that wish to develop a waterfront business; and

WHEREAS, in order to balance the benefits of competitive bidding with the benefits of direct negotiation with existing tenants, the Port Commission adopted the Leasing Policy for Retail Sites on April 28, 1993 through Resolution No. 93-52; and

WHEREAS, Bundox Restaurant, Inc., an existing Port tenant, has requested a lease for the Waterfront Restaurant site at Pier 7.5, pursuant to the Leasing Policy for Retail Sites; and

WHEREAS, The Leasing Policy for Retail Sites provides that a retail lease may be directly negotiated when:

1. The tenant is in good standing; and
2. The tenant is making a significant capital investment in the site; and
3. The tenancy is in the best economic interest of the Port; and
4. The tenant has a good affirmative action and non-discrimination record and is committed to future compliance.

WHEREAS, the Leasing Policy for Retail Sites further requires that, prior to granting a lease pursuant to the Policy, the Port Commission must make a finding that the benefits of direct negotiation outweigh the benefits of competitive bidding; and

WHEREAS, the Port Commission has determined that Bundox Restaurant meets the conditions for direct negotiation; and

WHEREAS, the Port Commission has found that benefits of this leasehold outweigh the potential benefits of offering the site through competitive bidding; and

WHEREAS, Port Commission approval is being sought for Lease L-11859 between the Port and Bundox Restaurant, Inc., a California Corporation, the terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on September 27, 1994; and

WHEREAS, on December 3, 1993, the Department of City Planning issued for public review a preliminary negative declaration, Case #93.508E, for the proposed expansion of the Waterfront Restaurant, and on January 20, 1994, the negative declaration was finalized by the Department of City Planning; now, therefore be it

RESOLVED, that this Port Commission has considered and reviewed the final negative declaration and adopts said final negative declaration, and hereby finds and determines that the proposed expansion of the Waterfront Restaurant, reconfiguration of the finger pier at Pier 7½ and provision of additional public access will have no significant impact on the environment, and adopts and incorporates herein by reference thereto the findings of the final negative declaration, Case #93.508E, issued by the Department of City Planning, a copy of which is on file with the Secretary of the Port Commission; and be it further

RESOLVED, that the Port Commission finds that Bundox Restaurant, Inc., qualifies to directly negotiate with the Port for a long term lease pursuant to the Leasing Policy for Retail Sites; and, therefore, be it further

RESOLVED, that the Port Commission hereby approves Lease L-11859 between the Port and Bundox Restaurant, Inc,. incorporating the business terms set forth in the Memorandum for Agenda Item 5A for the Port Commission meeting on September 24, 1994; and that the Executive Director is hereby directed to execute the Lease L-11859 on behalf of the Port and forward said Lease L-11859 to the San Francisco Board of Supervisors for approval by ordinance pursuant to City Charter Section 7.402-1.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 27, 1994

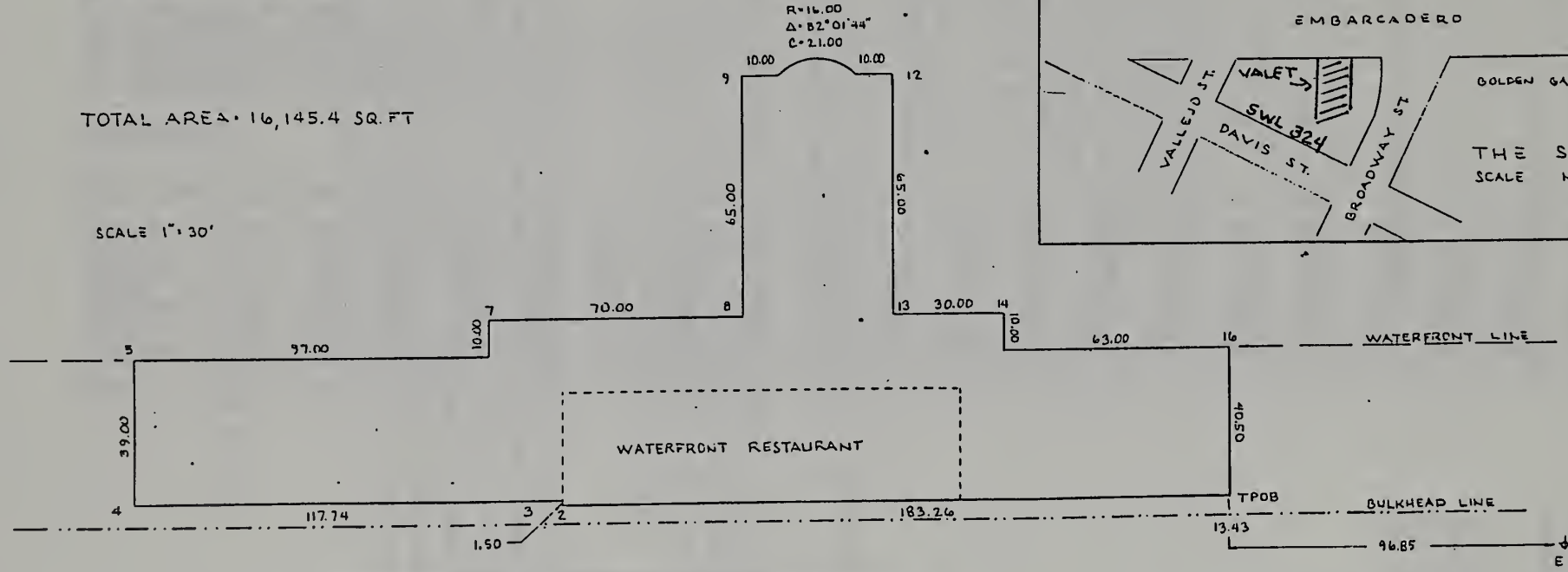
_____
Secretary

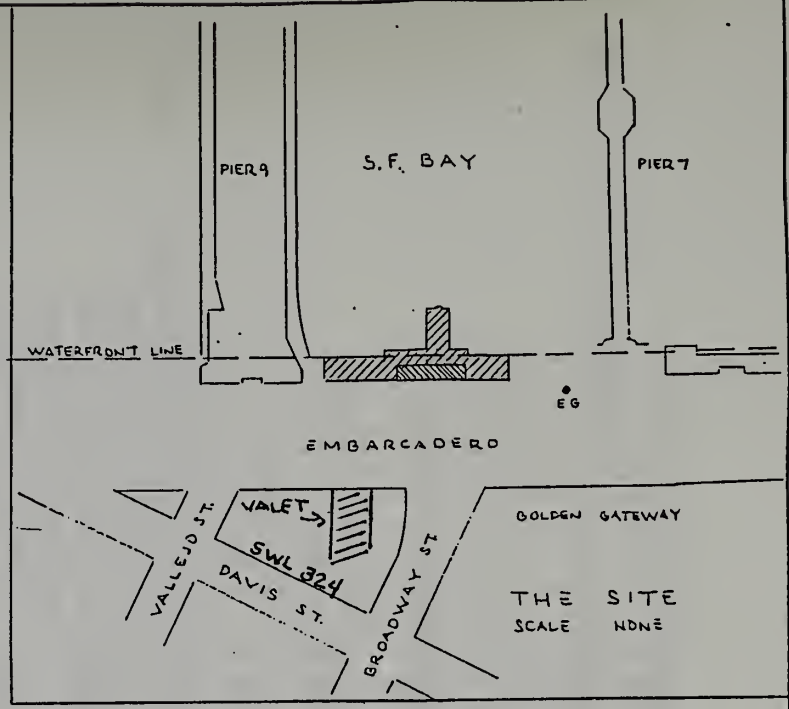
NOTES:

1. DISTANCES SHOWN ARE GROUND DISTANCE
2. COORDINATES SHOWN FOR POINT EG ARE CALIFORNIA ZONE III LAMBERT COORDINATES.
3. REF: SFPA DWG NO 0461-404 TO 409-1

TOTAL AREA = 16,145.4 SQ. FT

SCALE 1" = 30'





NO.	DATE	DESCRIPTION	BY

TABLE OF CHANGES
CHECK TRACING FOR LATEST REVISION

APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

_____
CHIEF HARBOR ENGINEER

SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

EXHIBIT A
WATERFRONT RESTAURANT

DESIGNED BY:	CHECKED BY:
DRAWN BY: ECC	DATE: NOV 12 1993
CONTRACT NO.	SCALE: AS SHOWN
DRAWING NO.	SHEET NO.1 OF 1 SHEETS

8UNDOX SALES AND RENT PROJECTIONS

Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Gross Sales	869	8,837	9,728	10,217	10,709	11,244	11,806	12,397	13,016	13,667	13,940	14,219	14,504	14,794	15,089	15,391	15,699	16,013	16,333	16,660
Percentege	61	619	681	715	750	787	826	868	911	957	976	995	1,015	1,036	1,056	1,077	1,099	1,121	1,143	1,166
8ase Rent	98	210	210	229	229	229	250	250	250	478	478	478	508	508	508	539	359	539	572	572
Overege	0	409	471	486	521	558	576	618	661	479	498	517	507	528	548	538	740	582	571	594
Rent Credit	0	163	188	194	208	223	231	247	264	0	0	0	0	0	0	0	0	0	0	0
Belence	0	245	283	292	312	335	346	371	397	479	498	517	507	528	548	538	740	582	571	594
Totel Rent	98	455	493	521	541	564	596	621	647	957	976	995	1,015	1,036	1,056	1,077	1,099	1,121	1,143	1,166

Note: All figures ere in thousends.

ASSUMPTIONS

1. Construction of Phese I and II are complated in first yeer of lease.
2. Yeer 2 is first full year of oparetion.
3. Seles growth of 10% after first full year of operation with 5% growth thereafter.
4. Percentage Rent is 7% of sales.
5. Rent credits ere fully emortized eftar yeer 9.

bundoxre.f.9/19/94

PORT OF SAN FRANCISCO

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MEMORANDUM

September 15, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Michael Hardeman
Hon. Francis J. O'Neill
Hon. Frankie G. Lee

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Hyde Street Harbor and Pier 45 Sheds A and C. Approval of consultant contract to prepare an environmental impact report.

DIRECTOR'S RECOMMENDATION: ADOPT RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH THE DUFFEY COMPANY TO PREPARE AN ENVIRONMENTAL IMPACT REPORT FOR THE HYDE STREET HARBOR AND PIER 45 SHEDS A AND C.

The Hyde Street Harbor is a proposed 88 berth harbor located to the east of the Hyde Street Pier. It is part of a series of improvements in the Fisherman's Wharf area collectively known as the Seafood Center that includes: a 1,200 foot breakwater completed in 1986, and $11.6 million in earthquake repairs currently underway at Pier 45. In addition, the newly reinforced sheds B and D are currently being leased for fish processing and handling. A feasibility analysis also is underway to determine the best uses for sheds A and C located on the east side of Pier 45.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

The proposed environmental impact report (EIR) analyzes impacts that may result from the Hyde Street Harbor and from new uses in sheds A and C on Pier 45. Sheds B and D are exempt from environmental review because the improvements are for earthquake repairs and seismic upgrades, and the use of the sheds for fish handling and processing will be consistent with their pre-earthquake uses. The feasibility analysis to determine the best uses for sheds A and C is expected to be complete within the next two months. Currently, community meetings are being held to review alternatives. There will be a presentation to the Port Commission once the uses and feasibility of the alternatives are refined.

On May 24, the Port Commission authorized staff to advertise a request for proposals for preparation of an EIR for the Hyde Street Harbor and Pier 45 Sheds A and C. Following a 30 day advertisement, the Port received four proposals for this contract as detailed in the attached Table A. A review panel consisting of members from City and Port staff, the State Coastal Conservancy, a fisheries consultant, and a member of the Dolphin Swim Club rated the team led by the Duffey Company the highest overall.

The Duffey Company is a San Francisco women-owned business. The team assembled by the Duffey Company includes 30 percent minority and 27 percent women-owned business participation. The attached Table B outlines a listing of the consulting team members. The contract total is $ 200,137. Adequate funding was designated from the 1984 Revenue Bond Fund proceeds for this project.

The contract will begin immediately upon Port Commission and City approvals and is expected to be completed within approximately one year. During the period of the EIR, staff will monitor and update market feasibility studies for the harbor. Following preparation of the EIR, staff will seek BCDC and Army Corp of Engineer permits and begin preparation of construction drawings.

Prepared by: Sharon Lee Polledri
Director of Planning and Development

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Table A

Hyde Street Harbor & Pier 45 Sheds A and C
Proposing Teams

Team Leader and sub-consultants	MBE %	WBE %	Final Score
Duffey Company • Orion Environmental • MEC Analytical Systems • SOMA Corp. • Woodward Clyde Consultants • Korve Engineering • Architectural/Historical Consultants • Adrienne Wong & Associates	30	27	85.24
Baseline • DKS Associates • Vicki Hill • EJL & Associates • Philip Williams	0	4	77.28
EIP Associates • The Jefferson Company • Olivia Chen Co. • Philip Williams & Associates • Pittman & Hames • Wilbur Smith Associates • EJL & Associates • Carey & Company, Inc. • Joe O'Connor	19	1	75.81
ESA Inc. • DKS Associates • Vicki Hill • G. Bland Platt Associates • EJL & Associates • SBB Communications • Bay Metric Traffic Resources	12	19	73.71

Table B

Hyde Street Harbor & Pier 45 Sheds A and C
The Duffey Company Team

Team Members and expertise	MBE %	WBE %	Award Amount	Hourly Rate
Duffey Company - Project management		27	$54,120	$50 - 95
Orion Environmental Assoc. - Water quality, hazardous materials, air quality	24		48,765	75 - 114
MEC Analytical Systems - Water quality, marine biology			8,580	78
SOMA Corporation - Human Health risk			12,000	100
Woodward-Clyde - EIR preparation			40,762	113 - 120
Korve Engineering - Traffic Analysis			22,460	60 - 120
Architectural/Historical Consultants - Cultural mitigation			2,000	50
Adrienne Wong & Associates - Graphics, word processing	6		11,450	50

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-125

WHEREAS, the Port Commission developed a plan for revitalization of the commercial fishing industry at Fisherman's Wharf, including the provision of new vessel berthing facilities and provision of new shoreside fish distribution facilities; and

WHEREAS, the Port Commission has prepared a preliminary design and feasibility study of the harbor facilities which showed adequate demand and need for the harbor, and that it functioned efficiently with other facilities at Fisherman's Wharf;

WHEREAS, the Port Commission is conducting a feasibility analysis with community outreach to determine the most appropriate uses for sheds A and C on Pier 45; and

WHEREAS, the proposed Hyde Street Harbor and uses on Pier 45 sheds A and C must be evaluated to assess the potential environmental impacts, pursuant to the California Environmental Quality Act (CEQA); and

WHEREAS, the Port Commission designated $300,000 from the 1984 Revenue Bond Fund proceeds for preparation of an EIR for improvements to the commercial fishing industry at Fisherman's Wharf; and

WHEREAS, the Port issued a request for proposals (RFP) to prepare an Environmental Impact Report (EIR) for the harbor and uses on Pier 45 in sheds A and C, and received four qualified proposals, which were ranked according to criteria in the RFP; therefore be it

RESOLVED, that the Port Commission authorizes the Executive Director to enter into a contract with The Duffey Company, the highest ranked proposer, for $200,137, to prepare a environmental impact report for the Hyde Street Harbor and Pier 45 sheds A and C.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 27, 1994

Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

September 19, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Consent to Sublease by Southwest Marine, Inc. to LIPS Propellers at Pier 70

DIRECTOR'S RECOMMENDATION: APPROVE LIPS PROPELLERS SUBLEASE

By Lease L-11968, dated June 14, 1994 ("Lease"), Southwest Marine, Inc. ("Tenant") leased 243,884 square feet of land and improvements at Pier 70/SWL 349 on a month-to-month basis. The Lease provides that Tenant may sublet portions of these premises subject to the Port's consent, with 100% of the sublease rent above Tenant's rent of $1.00 per month being paid to the Port.

Tenant now seeks Port Commission approval of a month-to-month sublease to LIPS Propellers for approximately 5,000 square feet of shed space at $.20 per square foot, or $1,000.00 per month. LIPS Propellers plans to use these premises in conjunction with the ship yard operated by Southwest Marine. The sublease would commence October 1, 1994 and be terminable by either party upon 30 days written notice. All revenues in excess of Tenant's $1.00 per month rent, or $999.90, shall be paid to the Port.

Prepared by: Kirk Bennett, Acting Director, Tenant & Maritime Services

THIS PRINT COVERS CALENDAR ITEM NO. 9A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-135

WHEREAS, By Lease L-11968 dated June 14, 1994 (the Lease), Southwest Marine, Inc., (Tenant) leased from the Port 243,884 sq. ft. of industrial space at Pier 70/SWL 349 in the City and County of San Francisco, State of California, and more particularly described in Exhibit "A" of said Lease; and

WHEREAS, Paragraph 21 of the Lease provides that Tenant may, subject to Port Commission approval, sublet portions of the premises subject to certain conditions; and

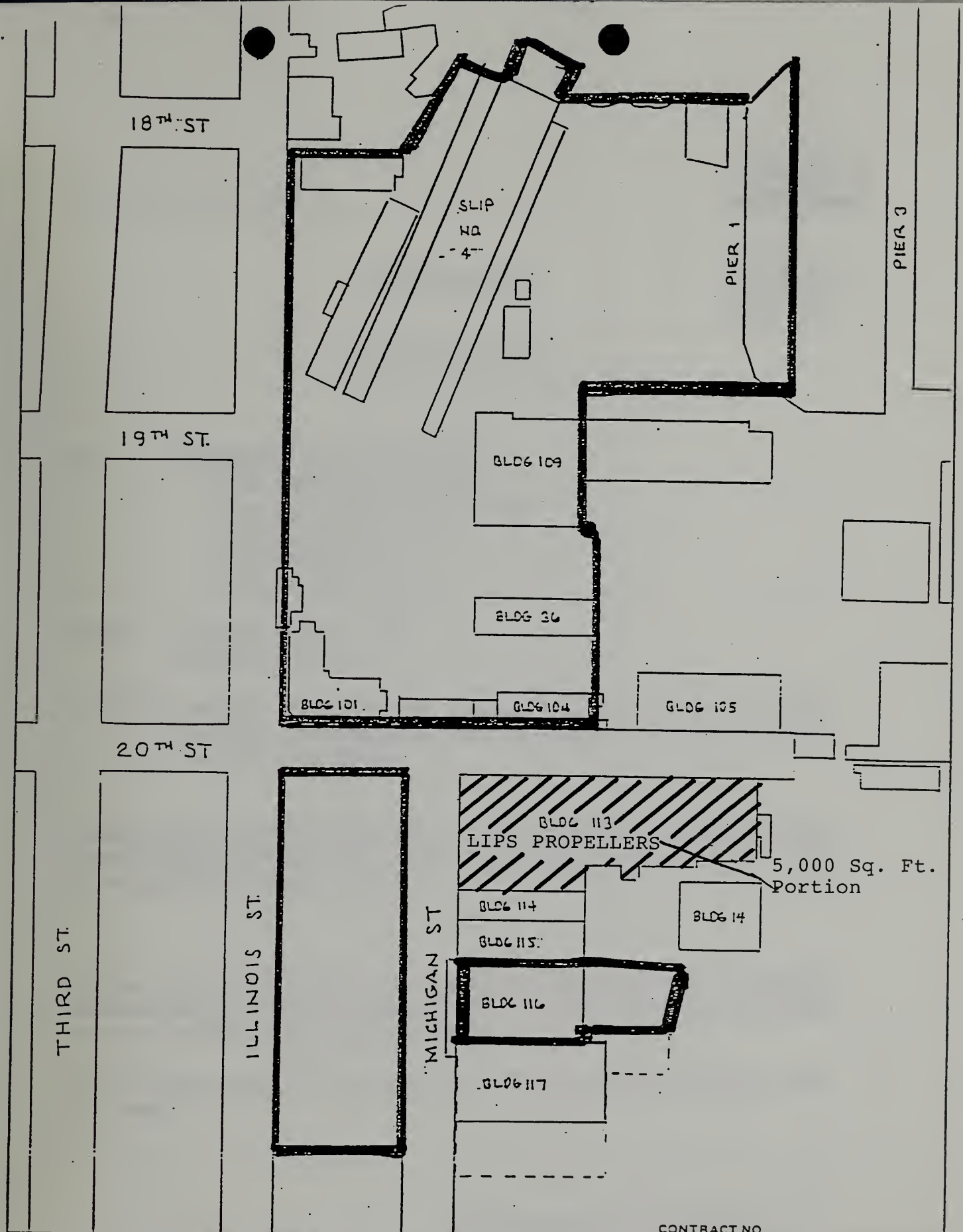
WHEREAS, Tenant has met the conditions specified by the Lease and accordingly requests approval to sublease a portion of the premises to LIPS Propellers.

RESOLVED, That this Commission consents to that certain sublease by Southwest Marine to LIPS Propellers, dated October 1, 1994, copies of which are on file with the Commission secretary.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 27, 1994.

_____
Secretary

I:\users\tenant\agendas\HCW\jef\September 20, 1994\



CONTRACT NO. _____

SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	EXHIBIT A SUBLEASE TO LIPS PROPELLERS	APPROVED _____ DATE _____ DRAWING NO.
IN CHARGE OF / MADE BY / TRACED BY / CHKD. BY / DATE / SCALE		SHEET NO. OF

BISHOP GRAPHICS/ACCUPRESS
REORDER NO. A35492

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

September 20, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Travel for two representatives of the San Francisco Port Commission to Washington, D.C., in accordance with the Port's Fiscal Year 1994-1995 budget.

DIRECTOR'S RECOMMENDATION: APPROVE ATTACHED RESOLUTION AUTHORIZING TRAVEL FOR TWO REPRESENTATIVES OF THE SAN FRANCISCO PORT COMMISSION

Attached, for your approval, is a resolution authorizing Port Commission representatives to travel to Washington, D.C. in October 1994 to discuss funding proposals for the Ferry Building Area Projects.

The costs of this trip have been included in the Port Commission's fiscal year 1994-1995 budget.

PREPARED BY: Veronica Sanchez

THIS PRINT COVERS CALENDAR ITEM NO. 9B

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-136**

WHEREAS, the Executive Director is requesting authorization for two Port Commission representatives to travel to Washington, D.C. in October 1994, to pursue Federal funding opportunities for the Ferry Building Area Projects; and

WHEREAS, the costs of this trip have been included in the Port Commission's Fiscal Year 1994-1995 budget; now, therefore, be it

RESOLVED, that the San Francisco Port Commission hereby approves this travel request.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of September 27, 1994.

_____

Secretary

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

September 20, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Refunds and Allowances Report - August 1994

DIRECTOR'S RECOMMENDATION: APPROVE REFUNDS AND ALLOWANCES REPORT

Attached, for your approval, is the Refunds and Allowances report for the period ending August 31, 1994.

Prepared by: Ben Kutnick

THIS PRINT COVERS CALENDAR ITEM NO. 9C

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-137**

RESOLVED, that the San Francisco Port Commission hereby approves the August 1994 Refunds and Allowances report.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 27, 1994.

_____
Secretary

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
August 31, 1994

REVENUE TYPE	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE–OFFS OF ACCOUNTS RECEIVABLE	TOTAL
1. Cargo Facility Rent		$ 4,256		$ 4,256
2. Commercial Rent	$ 9,340	61,039	$ 11,204	81,583
3. Container Crane Rental				0
4. Demurrage		2,125		2,125
5. Dockage		125	9,340	9,465
6. Electrical Power Service				0
7. Facility Damage				0
8. Fishing Boats		125		125
9. Fish Facility Rent				0
10. Maritime Related Rent		349		349
11. Maritime Rent				0
12. Misc. Services to Tenants				0
13. Miscellaneous Revenue				0
14. Parking Stalls		2,248		2,248
15. Penalty Charges		45		45
16. Percentage Rentals		24,014		24,014
17. Permits				0
18. Security Deposits		62,597	47,317	109,914
19. Service Charges		499	170,609	171,108
20. Ship Repair			654,908	654,908
21. Wharfage – Cargo		12,974		12,974
22. Wharfage – Non–Cargo		232		232
	$ 9,340	$ 170,628	$ 893,378	$ 1,073,346

ATTACHMENT 1

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
AUGUST 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
CARGO FACILITY RENT						
1. Metropolitan California Stevedore Co.	482082	To Issue credit for Invoice #476379 for June '94 rent due to lease cancellation.		$ 1,121		$ 1,121
2. Metropolitan California Stevedore Co.	482095	To Issue credit for Invoice #477825 for July '94 rent due to lease cancellation.		1,121		1,121
3. Metropolitan California Stevedore Co.	482098	To Issue credit for Invoice #479491 for August '94 rent due to lease cancellation.		1,121		1,121
4. Buchdruker, Elliott D.	482116	To Issue credit for Invoice #479492 for August '94 rent because tenant's lease #11422 was cancelled in July.		766		766
5. One (1) Invoice under $500	480907			127		127
Subtotal CFTY			0	4,256	0	4,256
COMMERCIAL RENT						
1. Inter-Pacific Shipping	480890	To Issue credit for Invoice #478094 for July rent because tenant had terminated lease as of 6/15/94.		774		774
2. Domenico Ingrande Fish Co.	480900	To credit Invoice #480779 due to duplicate billing of invoice #480671.		861		861
3. Bay Area Forklift Service	480902	To credit invoice #478224 for July rent because tenant vacated lease effective 7/1/94.		2,184		2,184
4. Aspen Group, Inc.	480904	To Issue partial credit for Invoice #479635 because tenant terminates lease as of 8/19/94 and moving to a new lease.		563		563
5. Coastal Resources Center	480910	To credit Invoice #479673 for August rent because tenant lease's was terminated effective 7/31/94.		850		850
6. CADD Services, Inc.	480911	To credit Invoices #478248 for July and #479885 for August rent because tenant's lease expired on 6/30/94.		724		724

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
AUGUST 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
7. Noonan, Fred F.	480919	To credit invoice #474330 because tenant was billed in error for March '94.		711		711
8. Golden State Marine, Inc.	480922	To credit invoice #478066 for July rent because of duplicate billing. Tenant Services did not cancel the old lease in time before Accounting processed July billing.		1,613		1,613
9. Metropolitan California Stevedore Co.	481832	To credit invoices #476556 for June and #478002 for July rent because of lease termination.		7,525		7,525
10. Service Engineering Co.	481833	To issue partial credit for invoice #480690 for July and full credit for invoice #478195 for August rent because license terminated on July 3, 1994.		15,438		15,438
11. Calif. State Dept. of Food	481835	To credit invoices #480836 and #480828 because tenant requested monthly rental to be billed on individual invoices rather than all combined in one invoice. Tenant will be rebilled.		593		593
12. You and Leisure	481999	To issue credit for new paint and interior wall finishes per lease.	$ 8,260			8,260
13. Experimental Workshop, Inc.	482003	To credit invoice #479695 for August rent under old lease which was terminated in July 1994.		1,965		1,965
14. Landor Associates	482005	To credit invoice #479757 for August because tenant's lease was terminated in July 1994.		2,583		2,583
15. Empire Electric Co. .	482007	To credit invoice #479665 for August because tenant has cancelled old lease on 5/31/94.		599		599
16. HSF Enterprises Inc.	482008	To credit invoice #479711 for August because tenant's lease was terminated in July 1994.		3,300		3,300
17. Bounty Restaurant	482009	To credit invoices #479733 & #479734 because tenant's leases were terminated in July 1994.		1,084		1,084
18. Allright S. F. Inc.	482017	To credit invoice #479889 for August rent because tenant was billed in error for Dec. '93. Tenancy did not start until Jan. '94 and payment was received. Therefore we are crediting the August billing.		18,728		18,728

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
AUGUST 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
19. Bluepeter, Inc.	482046	To write off various invoices because tenant is a dissolved corporation and insolvent per Legal Department.			$ 11,204	11,204
20. Nine (9) invoices under $500	Various		1,080	944		2,024
Subtotal CRNT			9,340	61,039	11,204	81,583
DEMURRAGE						
1. Marcel S. Garrigues Co.	482172	To cancel various invoices because bills were billed to the wrong account. (Re-billed to Account #019513 under invoice #482028 for the same amount).		883		883
2. Maruba S. C. A.	482174	To cancel invoice #480814 because of erroneous billing.		1,242		1,242
Subtotal DEMR			0	2,125	0	2,125
DOCKAGE						
1. Southwest Marine Inc.	481831	To write off various invoices pursuant to amendment approved by Board of Supervisors.			9,340	9,340
2. One (1) invoice under $500	481843			125		125
Subtotal DOCK			0	125	9,340	9,465
FISHING BOATS						
1. One (1) invoice under $500	481840			125		125
Subtotal FISH			0	125	0	125

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
AUGUST 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
MARITIME RELATED RENT						
1. One (1) invoice under $500	480899			349		349
Subtotal MRLT			0	349	0	349
PARKING STALLS						
1. Jones, Hall & White	482011	To issue half of credit for the period of April through August '94 and to credit duplicate invoices #430008 and #471089.		1,036		1,036
2. Thirteen (13) invoices under $500	Various			1,212		1,212
Subtotal PSTL			0	2,248	0	2,248
PENALTY CHARGE						
1. Seven (7) invoices under $500	Various			45		45
Subtotal PCHG			0	45	0	45
PERCENTAGE RENTALS						
1. City of Vallejo	480914	To credit invoice #480658 for incorrect billing for August. Tenant will be billed for the correct rate.		2,861		2,861
2. Harbor Bay Maritime, Inc.	480891	To credit invoices #479172 for July and #480652 for August because tenant's rate increased to $4,626.50 per month until automated dooor is installed and working.		5,753		5,753
3. Red & White Fleet, Inc.	480892	To credit invoices #479171 for July and #480651 for August because tenant's rate increased to $3,232.12 per month until automated dooor is installed and working.		5,922		5,922

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
AUGUST 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
4. City of Alameda	480893	To credit invoices #479170 for July and #480650 for August because tenant's rate increased to $5,650.10 per month until automated dooor is installed and working.		6,016		6,016
5. Cable Car Charters	480920	To credit invoice #479570 because tenant's lease has been terminated.		1,000		1,000
6. Harbor Bay Maritime, Inc.	482018	To credit invoice #480869 because credit reflected charges for the security guard. Services were discontinued on August 19, 1994 when the gate was automated.		610		610
7. City of Vallejo	482021	To credit invoice #480769 because credit reflected charges for the security guard. Services were discontinued on August 19, 1994 when the gate was automated.		549		549
8. City of Alameda	482042	To credit invoice #480868 because credit reflected charges for the security guard. Services were discontinued on August 19, 1994 when the gate was automated.		774		774
9. Two (2) invoices under $500	Various			529		529
Subtotal PERC			0	24,014	0	24,014
SECURITY DEPOSITS						
1. Bay Blossoms	481834	To credit invoice #447202 because tenant was billed in error.		570		570
2. Park Express	481844	To credit invoice #474279 as tenant submitted a certificate of deposit.		61,635		61,635
3. Southwest Marine Inc.	481831	To write off various invoices pursuant to amendment approved by Board of Supervisors.			45,880	45,880
4. Bluepeter, Inc.	482046	To write off various invoices because tenant is a dissolved corporation and insolvent per Legal Department.			1,437	1,437
5. Two (2) invoices under $500	Various			392		392
Subtotal PREP			0	62,597	47,317	109,914

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
AUGUST 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
SERVICE CHARGE						
1. Bluepeter, Inc.	482046	To write off various invoices because tenant is a dissolved corporation and insolvent per Legal Department.			2,285	2,285
2. Southwest Marine Inc.	481831	To write off various invoices pursuant to amendment approved by Board of Supervisors.			97,782	97,782
3. Pier 39 Ltd. Partnership	481836	To write off various invoices because settlement of account reached in the amount of $25,000. Balance of account to be written off.			70,542	70,542
4. Three (3) invoices under $500	Various			499		499
Subtotal SERV			0	499	170,609	171,108
SHIP REPAIR						
1. Southwest Marine Inc.	481831	To write off various invoices pursuant to amendment approved by Board of Supervisors.			654,908	654,908
Subtotal SHIP			0	0	654,908	654,908
WHARFAGE – CARGO						
1. Navicana	480887	To credit invoice #480296 tenant was billed incorrectly for the TEU's. (Re-billed by invoice #480622 for $1,440.00).		7,685		7,685
2. Navicana	480888	To credit invoice #480297 tenant was billed incorrectly for the TEU's. (Re-billed by invoice #480592 for $780.00).		5,289		5,289
Subtotal WHFC			0	12,974	0	12,974

SAN FRANCISCO PORT COMMISSION
REFUNDS & ALLOWANCES
AUGUST 1994

REVENUE TYPE	CREDIT MEMO NO.	DESCRIPTION	REFUNDS & ALLOWANCES	BILLING ADJUSTMENTS	WRITE-OFFS OF ACCOUNTS RECEIVABLE	TOTAL
WHARFAGE - NON-CARGO						
1. One (1) invoice under $500	480923			232		232
Subtotal NCWT			0	232	0	232
TOTAL CREDIT MEMOS - AUGUST 1994			$ 9,340	$ 170,628	$ 893,378	$ 1,073,346

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

MINUTES OF THE MEETING
SEPTEMBER 27, 1994

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1. **ROLL CALL**

The meeting was called to order by President Preston Cook at 4:09 p.m. The following Commissioners were present: Preston Cook, Frankie Lee and Michael Hardeman. Commissioners Anne Halsted and Frank O'Neill were absent.

2. **APPROVAL OF MINUTES** - September 13, 1994 Minutes

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All Commissioners in favor; minutes of the September 13, 1994 meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Mr. Bouey stated that at the last meeting, Mr. Tibbits inquired whether appropriate permits were secured for the Wylan paintings that appeared on the Pier 39 garage and another building within the Pier 39 leasehold. An investigation of the matter revealed that the Port property and projects are not subject to the Art Commission review but through a quirk in the Pier 39 lease, they are required to secure Art Commission's review of projects such as this. They are also required to secure construction permits as necessary. In the instance at hand, Pier 39 did, in fact, go to the Art Commission who reviewed and approved the project. They also brought the necessary electrical and plumbing drawings to the Port staff for review and comments. A permit was not actually issued, but the Port will issue the permit retroactively after staff is assured that the work was done to code. Mr. Bouey will send a brief memo to Mr. Tibbits explaining the facts.

4. **SPECIAL ITEM**

A. Presentation of the Ferry Building Renovation Alternatives

Mr. Bouey stated that the Commission approved an RFP for a feasibility analysis for the Ferry building and subsequently awarded a contract to Polshek & Partners Architects, heading a design team including ROMA Design, Keyser Marston Associates and Anne Cervantes. The purpose of the study was to investigate feasibility issues and to develop alternatives for the future use of the building e.g. legal and regulatory impediments, market analysis, develop potential uses within the physical constraints of the building and to develop alternatives. During this process, the design and feasibility team performed outreach to over 700 businesses; with 60 businesses actually attended a community workshop regarding the Ferry Building. At the conclusion of today's presentation, Mr. Bouey will briefly discuss where to go from here.

Ms. Sharon Polledri, Director of Planning and Development introduced Mr. David Robinson, principal of Polshek and Partners Architects, Denise Conley, principal of Keyser Marston Associates and Boris Dramov of Dramov Design. Anne Cervantes and Bruce Judd were not present.

Mr. Robinson stated that the team came up with five alternatives over a period of 8 months of deliberation and collaboration. The study benefitted enormously not only by the excellence of the people involved but also by their diversity of skills. He mentioned that Denise Conley will discuss the mixed of uses and their economic impact. The five alternatives are as follows:

1. Alternative 1: <u>Open Nave Mixed Use Concept</u>
   Provides a fully restored and upgraded building, in compliance with current codes and providing Class A services for all spaces.

2. Alternative 2: <u>Open Nave Office Concept (Four Levels)</u>
   Provides for maximum development and improvement of the entire Ferry Building in compliance with existing relevant building codes and preservation guidelines, including the addition of a fourth floor at the structural bay immediately east of the nave.

3. Alternative 2A: <u>Open Nave Office Concept (Three Levels)</u>
   Provides for maximum development and improvement of the entire Ferry Building in compliance with existing relevant building codes and preservation guidelines in a building configuration similar to Alternative 1.

4. Alternative 3: <u>Phased Concept A</u>
   This concept attempts to maximize improvements to the most significant visible public aspects of the Ferry Building while minimizing immediate project construction costs.

5. Alternative 4: <u>Phased Concept B</u>
   This alternative would fully restore the south wing of the building, provide significant public amenities and minimize disruption to the World Trade Club and Limbach & Limbach tenants.

While the five alternatives are very diverse from the standpoint of the configuration of the building, mixed uses and the degree of which they are developed, each of the alternative includes:

- The completion of historic restoration of the western facade which includes the restoration of the windows, the complete restoration of the stone, the painting of the tower, the removal of all the air conditioning units and more importantly, the removal of the present use phase in the northern arcade.

- Establishes a central space, both symbolically and functionally, as a major link between the City and Bay side.

- Full or partial restoration of the historic two-story interior nave
- Improved access to the ground floor of the building to its perimeter and to surrounding open space
- Increased interface between expanded waterborne traffic and other modes of surface transportation
- Renovation of north, south, and east facades to provide a more historically accurate and visually coherent entity
- Consistency with the goals of the Waterfront Plan.

He went on to discuss the specifics of the different alternatives.

Ms. Denise Conley, a principal of Keyser Marston Associates, gave an overview of the economics and the market research for the recommended uses for the revitalization of the building and stated that there is market potential for this building in a rehabilitated form.

Commissioner Cook inquired if we chose Alternative 3 or 4, would it be a change of use which would cause a 104F application. If we did a market and a restaurant or two on the ground floor, what would the City require of the Port. Mr. Robinson replied that one of the sieves on each alternative is the sieve of how code compliant or code worthy the idea was. Both Alternative 3 & 4 run the risk of triggering more seismic work than is presently identified. They believe there is a legitimate argument for not doing more work; it's justified in part because it's a strong building and both wings of the building can operate independently and because of the historic building code. They have identified that this is an issue that has to be resolved and looked into further.

Commissioner Lee inquired whether members of Mr. Robinson met with other City departments who have an understanding of what would trigger 104F applications. Mr. Robinson replied that they have a pretty experienced structural team; however, they have not gone to the City as they were uncertain whether that is appropriate at this level of discussion. They realize that each one of these issues is a negotiation to a certain degree. They need to go to the City and understand what they will and will not permit. Whatever they have to do has to be appropriate and reasonable and safe. The building inspector of the Port has the final authority so he becomes part of the negotiation. Commissioner Lee commented that on the structural aspect, the Port has a legal and moral obligation to ensure life safety.

Commissioner Cook stated that while trying to maintain a historic building, certain questions were brought up about the stairways, which would be in the way of having a grand entry to the bay from Market Street. The report seems to state that there is a problem of removing the stairs. Mr. Robinson stated that they have not designed the center space and offered a couple of choices namely: (1) to leave the stairs in place; (2) to replicate it on the other side of the tower; (3) move the singular stair back to a central location somewhere else in the main lobby; (4) because it's a cast iron stair and has a sieve, one might consider taking half of the stair leaving it where it is and taking the other half to the other side of the tower to permit more flow and at the same time retain the historic character. However, they need further study before determining

exactly what to do with it.

Commissioner Cook asked Mr. Boris Dramov for an explanation on his feeling of necessity of retaining the arcades. Mr. Dramov replied that there are two issues on the arcades: (1) the architectural quality of the building and what the arcades mean in terms of the integrity of the original architecture and (2) the use of the arcades for the ferry terminal functions that occur here. The bayside arcade has significant potential by ferry passengers. One of the issues is, do the arcades need the existing depth of 30 feet and 14 feet in height. The team felt that it was not necessary to retain the arcades at the existing depth; they could be shallower and still achieve both of the other objectives. This is one that affects both the historical preservation approvals as well as the architectural integrity of the building. Commissioner Cook stated that community outreach is missing in the report and wondered if there was any reason why there was no status report on it and asked for a written report on what has been done to date. He specifically asked for the number of meetings held, the attendance, what's been discussed, what kind of response from each of the meetings, where they were held, what kind of groups were brought forward. Ms. Polledri and Mr. Robinson stated that the report has been done and the Commissioner will be provided a copy.

Mr. Bouey stated that when the Commission originally authorized this contract, it was to be done in two phases. The culmination of the first phase is the written report which will be sent in the next few days and which will cover today's discussion. Phase Two was to follow the selection of one of the alternatives by the Port Commission and for the Polshek team to do a refined analysis. Mr. Bouey believes this is a proper time to take a breather for a couple of weeks and decide what the next step is. As noted on the report, a funding gap exists for each alternative. However, there are certain assumptions built into the financial analysis that may not prove true, e.g. that the foundation is solid, and which increase the gap. We are at a point, particularly with the passage of Prop P in November, to find out what our alternative funding sources will be and the amount we can reasonably expect to raise. Lastly, we need to begin talking to developers in earnest. As a result of going through those items, we will be in a better position to determine what the RFP/RFQ process should be in order to put together a team that can actually renovate this building. While there has been community outreach done on this study, this is just a preliminary study. What he envisions is as we move this project forward, more public input will be sought. In summary, it is appropriate to take time to digest and look at other issues before moving on to the next step. This is only an informational item.

Commissioner Cook inquired whether the studies done thus far or grant monies requested for the preservation of this building will be jeopardized should Prop P fail. Mr. Bouey replied that it could very well be and it would come down to an issue of uses and whether or not the project is viable. Currently, for structures that are within the 100 ft. ban, there are certain limitations involved. Commissioner Lee asked about the time frame. Mr. Bouey stated that the EIR process will probably be completed sometime in late 1995 or early 1996. At the beginning of November, we will be able to find out if Prop P passes and that may be a factor in the decision making. Commissioner Lee commented about the excellent team of professionals assembled for this project and Mr. Bouey echoed the same comments.

Mr. Michael Levine expressed his long-time interest on the face of this building from a historical and architectural point of view and would also like to see it have a renewed

life. He hopes that some way could be found to do the full project, especially the restoration of the second floor nave. As for the staircase, every effort be made that every significant historic part of this building be kept and that the new features be done around the staircase.

5. **TENANT & MARITIME SERVICES**

A. Approval of Lease with Bundox, Inc. (dba Waterfront Restaurant) at Pier 7½ (Resolution No. 94-133)

Mr. Bouey requested that this item will be put over to the next meeting.

6. **FACILITIES & OPERATIONS**

7. **PLANNING & DEVELOPMENT**

A. Hyde Street Harbor and Pier 45 EIR contract (Resolution No. 94-125)

As the Commission is aware, Mr. Bouey stated that there is an ongoing feasibility analysis for this project; the results of which will be received in late November or early December. To keep projects moving expeditiously, he asked Commission's approval for the Pier 45 EIR contract for the Hyde Street pier and added that the winning proposer is a woman-owned business with significant minority owned businesses acting as subcontractors.

Mr. Pat Flanagan complimented the Commission since the EIR has long been overdue. He brought to the Commission's attention the history of why the EIR is being done. He claimed that two individuals held up the project and those same individuals are still out in the community. His concern is as the consultants proceed with the contract that they pay special attention to the traffic impacts and the water quality impacts of the entire area. Hopes that staff make sure that these particular areas are covered in the EIR when the final report is issued.

Ms. Polledri stated that staff will be studying traffic impacts as well as putting particular emphasis on the water quality issues which was an issue during the prior environmental assessment.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

8. **ADMINISTRATION**

9. **CONSENT CALENDAR**

A. Consent to sublease by Southwest Marine, Inc. to LIPS Propellers at Pier 70 (Resolution No. 94-135)

B. Approval of travel to Washington, D.C. for two Representatives of the San Francisco Port Commission (Resolution No. 94-136)

C. Approval of Refunds and Allowances for the period ending August 31, 1994 (Resolution No. 94-137)

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All Commissioners in favor; all items on the Consent Calendar were adopted.

10. **NEW BUSINESS**

11. **EXECUTIVE SESSION**

At 5:02 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matter:

A. Conference with Real Property Negotiator

Property: Port property located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
Person Negotiating:
Port of San Francisco Representative: James Lazarus, Director Special Projects
Port of Oakland Representative: Leo Brien, Director of Maritime

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland, located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal). The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

B. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

ACTION: Commissioners Cook, Lee, and Hardeman returned from executive session and convened in public session at 6:30 p.m. Commissioner Lee moved approval to not disclose any information discussed on the executive session. Commissioner Cook seconded the motion. All Commissioners in favor.

Meeting was adjourned at 6:32 p.m.

SAN FRANCISCO PORT COMMISSION

REGULAR MEETING
4:00 P.M., OCTOBER 11, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

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AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - September 27, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

4. **SPECIAL ITEM**

   A. Informational Presentation by the CAO's office of the Mid-Embarcadero Open Space Project

5. **TENANT & MARITIME SERVICES**

   A. Approval of Lease with Bundox, Inc. (dba Waterfront Restaurant) at Pier 7½. (Resolution No. 94-133)

6. **FACILITIES & OPERATIONS**

7. **PLANNING & DEVELOPMENT**

   A. Approval of Temporary Public Art Installation at the Ferry Building, "Navigational Crossroads," by Artist Connie Hatch, as part of the Capp Street's Art in the Urban Landscape Projects. (Resolution No. 94-138)

8. **ADMINISTRATION**

9. **CONSENT CALENDAR**

   A. Request approval to vacate a portion of Third Street between Fourth Street and Channel Street for the Mission Bay Project (Resolution No. 94-139)

10. **NEW BUSINESS**

11. **EXECUTIVE SESSION**

    An Executive Session has been calendared to discuss the status of the following litigation matters:

A. Conference with Legal Counsel - Anticipated Litigation

1. Motion that Port Commission meet in closed session to confer with Counsel to discuss significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9 (one case).

B. Conference with Legal Counsel - Existing Litigation

1. Peters vs. CCSF, Superior Court No. 963-495

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a)(b).

C. Conference with Real Property Negotiator

Property: Port property located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
Person Negotiating:
Port of San Francisco Representative: James Lazarus, Director Special Projects
Port of Oakland Representative: Leo Brien, Director of Maritime

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland, located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal). The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

D. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

October 5, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: **Review of Mid-Embarcadero Open Space Project**

DIRECTOR'S RECOMMENDATION: REVIEW AND COMMENT ON THE MID-EMBARCADERO OPEN SPACE PROJECT

Background. During the past year, a citizens advisory committee led by the Chief Administrative Officer has developed a plan and guidelines for the development of the Mid-Embarcadero Open Space. The study area includes the roadway and open space between the Ferry Building, downtown office buildings to the west, Mission Street to the south, and Washington Street to the north. The study also looked at the Embarcadero promenade from Mission Street to Rincon Park. Major issues evaluated by the committee were:

- Alignment of the Embarcadero Roadway in front of the Ferry Building;
- Determining land uses for lots 202 and 203 (located north of Embarcadero Center);
- General urban design, art, and financing policies for the open space; and
- Expansion of the MUNI layover facility at Mission and Steuart Streets.

THIS PRINT COVERS CALENDAR ITEM NO. 4A

In June the citizens advisory committee finalized their recommendations in a report dated August 1994, distributed earlier. Port staff participated in the planning process on a technical advisory committee and generally support the recommendations of the committee. One unresolved issue is whether the Port should allow MUNI to expand the bus layover site approximately 40 feet onto Port property.

MUNI Layover Expansion. Allowing the MUNI expansion onto Port property would permit the major current design objectives for the Embarcadero Roadway to be met, but not to the standards that exist throughout other sections of the Roadway. MUNI has requested the 40 foot layover expansion in order to handle articulated buses and trolleys from 11 lines that reach the foot of Market or Mission Streets. Without the proposed expansion, MUNI would incur a loss of service to the foot of Market Street or incur increased operating costs associated with bus layovers at a more remote site. Providing the additional 40 feet affects the Embarcadero promenade by: (1) it narrows the waterfront promenade from 26 feet to 19 feet; (2) it reduces the double row of Palm trees in the median of the Roadway to a single row; and (3) it prevents a future light rail connection between Folsom and Mission Streets from being located in the Embarcadero median. A future light rail connection in this area would have to be moved inland to Steuart Street where it is south of Mission Street or occur in the traffic lanes on the Embarcadero. In May of this year, Mayor Jordan requested MUNI to evaluate moving the entire layover facility from the Steuart Street site as part of the proposed Transbay Terminal study, the results of this study will not be complete for about two years. However, the Waterfront Transportation Projects Office wishes to resolve this issue by the end of the calendar year, in order to proceed with the timetable for the roadway.

Alignment of the Embarcadero Roadway. The citizens committee studied three options for the Roadway alignment in front of the Ferry Building: a straight alignment with both north and south lanes close to and parallel to the Ferry Building; a split alignment with the north bound lane close to the Ferry Building and the south bound lane bowing out to create a 180 foot wide plaza in front of the building; and an option that bows both lanes out to create a 110 foot plaza between the roadway and the front of the Ferry Building. The committee chose the "both lane bowed out" alternative, and it is reflected in the current designs being reviewed for the renovation of the Ferry Building. Environmental review is currently being undertaken for all of these alternatives.

Lots 202 and 203. Lots 202 and 203 are largely left over property from the Washington Street ramps to the Embarcadero Freeway. They are located north of the Embarcadero Center extending from the Embarcadero Roadway to Davis Street. The Citizens Advisory Committee recommends that Lot 203, located further west between Drumm and Davis Streets, be developed with commercial or residential uses with the intent of generating revenue for development of the park area. The Advisory Committee recommends that Lot 202 be open space on its east half where it is adjacent to the Embarcadero Roadway, and have a structure on the west half, intended for public uses. The Recreation and Park Department would have jurisdicion over the open space on Lot 202. The Redevelopment Agency would likely have jurisdiction over the west half of Lot 202 and Lot 203.

Financial Strategies. The open space study included identifying funding sources for the estimated $18 million in construction costs, none of which is currently secured. Potential sources include local, state, and federal grants, tax increment bonds, general obligation bonds, special assessment districts, and development contributions from Lot 203. The Citizens Committee recommended pursuing two funding strategies: a grant/private/public debt scenario; and a redevelopment scenario. Both options will be pursued in greater detail over the next 18 months to determine which is most viable. Both assume an assessment district would be formed for maintenance and operation of the open space. Complete funding exists for the roadway.

The conclusions of the citizens advisory committee are currently being presented to various City commissions for comment. The Policy Steering Committee will be making a recommendation to the Board of Supervisors regarding this item. In order to meet the CAO's schedule for the waterfront transportation projects, the decision to allow MUNI to expand onto Port property should occur by the end of this year.

No action from the Port Commission on the roadway or open space is required at this time. Endorsement of a roadway alternative will be necessary at the completion of environmental review, which is expected at the end of 1995.

Prepared by: Sharon Lee Polledri
Director of Planning & Development

Attachments

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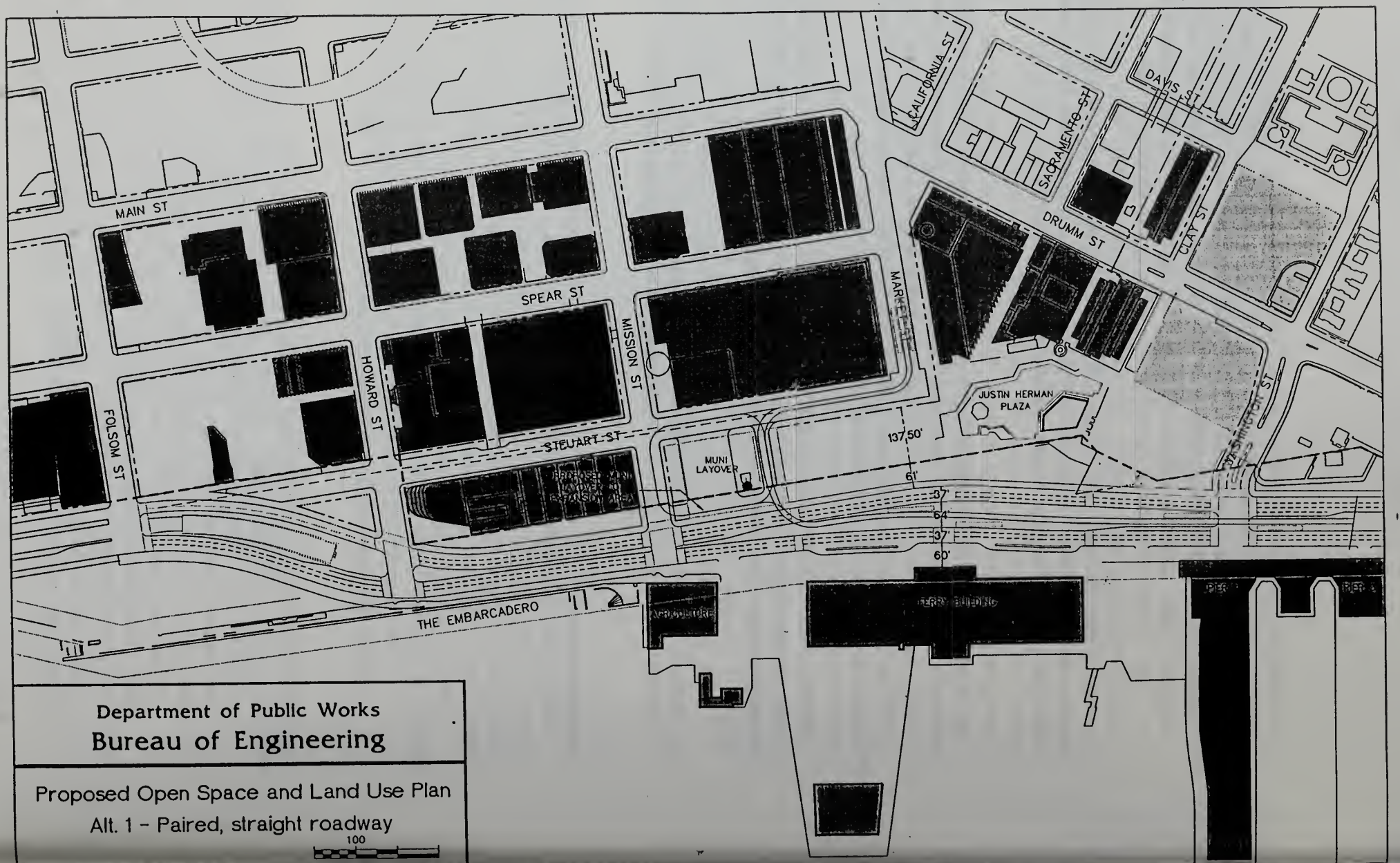


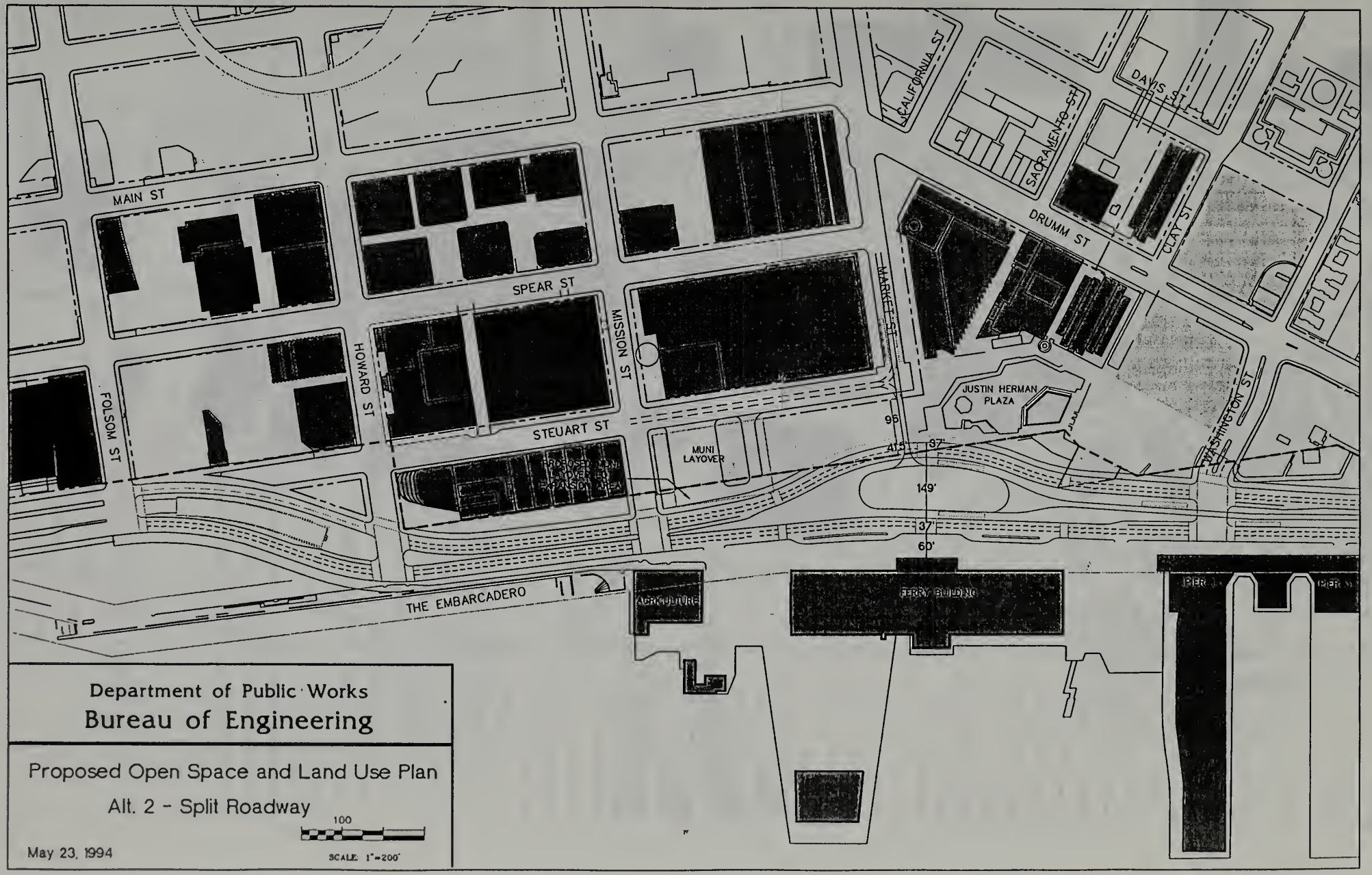
Department of Public Works

Bureau of Engineering

Proposed Open Space and Land Use Plan

Alt. 1 - Paired, straight roadway

100



Department of Public Works

Bureau of Engineering

Proposed Open Space and Land Use Plan

Alt. 2 - Split Roadway

100

SCALE 1"=200'

May 23, 1994

Department of Public Works

Bureau of Engineering

Proposed Open Space and Land Use Plan

Alt. 3 - Paired, curved roadway

100

PORT OF SAN FRANCISCO

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Telex 275940 PSF UR
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Cable SFPORTCOMM
Writer

MEMORANDUM

October 5, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Michael Hardeman
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Lease with Bundox Restaurant, Inc., dba the Waterfront Restaurant, at Pier 7½

DIRECTOR'S RECOMMENDATION: ADOPTION OF NEGATIVE DECLARATION AND APPROVAL OF LEASE WITH BUNDOX RESTAURANT, INC.

BUNDOX RESTAURANT, INC.

Bundox Restaurant, Inc. ("Bundox") has been a tenant operating the Waterfront Restaurant at Pier 7½ since 1969 under lease No. L-11856, which terminates on March 31, 1995. The premises under this lease contain 4,245 square feet of restaurant space located on the first floor and mezzanine of a two-story building. The current annual base rent under this lease is $53,190 versus percentage rent based on 6% of food sales and 8% of beverage sales. In Fiscal Year 1993-1994, Waterfront Restaurant gross sales totaled $3,486,471, generating total rent to the Port of $227,380. The principal of Bundox is Mr. Al Falchi.

Bundox has requested a new lease at Pier 7½ following the expiration of its existing lease, and has submitted a business plan for a restaurant redevelopment and expansion, which includes a significant investment. Pursuant to the Port Leasing Policy for Retail Sites, Staff has negotiated a renewal lease with Bundox.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

LEASING POLICY FOR RETAIL SITES

On April 28, 1993, the Port Commission approved the Leasing Policy for Retail Sites (Resolution No. 93-52). This policy recognizes the general principle of the Administrative Code that retail leasing opportunities are to be offered through a competitive bid or request for proposal process. However, the policy also allows for the direct negotiation of a lease with an existing retail tenant if the benefits of direct negotiation exceed the benefits of a public offering. For a lease to be awarded to an existing tenant through direct negotiation, the Commission must determine that:

1. The tenant is in good standing;

2. The tenant is committed to making a significant capital investment supported by a sound business plan which will benefit the Port;

3. The tenancy is in the best economic interest of the Port; and

4. The tenant has a good record of affirmative action and nondiscrimination and is committed to future compliance.

As discussed below, Port Staff believes that Bundox and its proposed business plan satisfy the criteria for direct negotiation.

1. Good Standing

Bundox has a stable history of compliance with all of the obligations of its existing lease. It also has a record of compliance with regulatory mandates. Moreover, it has consistently demonstrated good business practices, provided a dependable level of goods and service, and has provided a welcoming atmosphere to customers of diverse background and ethnicity.

2. Sound Business Plan

The proposed premises are comprised of the entire building in which the existing Waterfront Restaurant is located, portions of the adjacent north and south marginal wharves, the finger pier located at Pier 7½, and a portion of SWL 324 for valet parking. The business plan proposes expansion of the restaurant operation and redevelopment of the premises through a two-phased project at an estimated cost of $3,400,000. Phase I would involve renovation and expansion of the restaurant into the second floor of the existing building at an estimated cost of $2,000,000. Phase II would involve demolition and replacement of the existing finger pier to be used for an outdoor dining area and public access, and the creation of a second outdoor cafe area to the south of the existing building. The cost for the Phase II improvements are estimated at $1,400,000. This cafe area would enhance public access at Pier 7 by making casual dining available to pedestrians through an exterior entrance. The Port would participate in these improvement costs pursuant to its Rent Credit Policy.

3. Best Economic Interest

The fatality rate for restaurants, especially new restaurants and so called "white tablecloth" restaurants is very high. Yet, for twenty-five years, Bundox has been a stable tenant, succeeding in a very competitive market, despite the disruptions caused by the Loma Prieta Earthquake and nearby public works projects. It has in fact established itself as one of the best and most consistently performing restaurants, not only on Port property, but also in San Francisco.

In Fiscal Years 1986/87 through 1988/89, Port restaurant tenants located at Fisherman's Wharf generated an annual average sales of $489 per square foot. By comparison, the Waterfront Restaurant generated sales of $744 per square foot. Only Scoma's exceeded this sales level by generating sales of $922 per square foot.

The California Restaurant Industry Operations Report for 1993, issued by Deloitte and Touche, also supports the strength of the Waterfront Restaurant operation. This report indicates that the median total sales per seat were $5,197 and that the upper quartile sales were $7,788 per seat. By comparison, the Waterfront Restaurant generated $25,000 per seat.

In June 1993, Ernst and Associates, a hospitality/real estate consulting service, reported on trends in San Francisco's white tablecloth restaurants. Most operators interviewed indicated no growth or a decline in annual sales volumes over the past two years. Along the waterfront, including Fisherman's Wharf, restaurants reported a drop in sales of 10-15%, and in North Beach, restaurants reported a drop in sales of 6-10%. The Waterfront Restaurant, however, maintained its sales volume over the past seven years with only a 2% variance.

In addition, based upon its proposed business plan, Bundox expects to significantly increase its sales volume. After the proposed redevelopment and expansion is completed, Bundox expects to generate annual gross sales of $8.8 Million. Based on these sales projections, the Port would realize annual rents of approximately $620,000 before any rent credits.

Port Staff therefore believes that Bundox constitutes the best economic tenant for the site.

4. Affirmative Action

Port Staff has determined that Bundox has a good affirmative action record in employment, purchasing and contracting. In addition, Port Staff has reviewed and approved an Affirmative Action and Nondiscrimination Plan prepared in conjunction with the lease negotiation, which would be enforceable by the lease.

5. Compliance with CEQA

A Final Negative Declaration for the proposed Waterfront Restaurant expansion was adopted and issued by the Department of City Planning on January 20, 1994. The Negative Declaration is attached hereto for review. The Negative Declaration found that there is no substantial evidence that the project could have a significant effect on the environment. No mitigation measures are required.

The Negative Declaration envisioned a finger pier designed with an east/west orientation. Subsequent to the issuance of the Final Negative Declaration, the finger pier design was realigned with a North/South orientation. This modification has been approved by City Planning which opined that the modified design does not impact the scope of the project (See attached memorandum dated September 27, 1994). The modified finger pier design is illustrated on the attached site plan.

PROPOSED LEASE

The fundamental business terms and changes from the standard form lease are indicated below:

1. **Premises**

   a. Building: 9,650 s.f (1st floor, mezzanine, and 2nd floor).

   b. Parking and Fire Lane: 2,828 s.f.

   c. Future Outdoor Seating Area, Finger Pier, and Public Access Area: 8,668 s.f (subject to change based on final construction plans).

   d. Valet parking at SWL 324: 3,960 s.f. (which is subject to relocation).

2. **Term**

   a. 20-Year term (5-Year term for valet parking at SWL 324).

   b. Term and rent commence upon occurrence of all of the following: (1) adoption of an ordinance of the Board of Supervisors approving the lease; (2) obtaining BCDC permit and conditional use permit; (3) obtaining financing for Phase I; and (4) issuance of building permit for Phase I improvements. If all of the foregoing have not occurred by July 30, 1995, the Lease shall not become effective.

   c . Termination rights of Port:

      (1) If Phase I improvements are not completed by the end of the 2nd lease year.

      (2) At any time after the 10th lease year in the event that Phase II improvements are not completed by end of the 7th lease year.

3. **Use:** Restaurant and banquet operation, plus dancing and live entertainment, sale of in-house signature items, and docking of transient vessels.

4. **Base Rent**

a. Initial Base Rent: $17,500 per month.

b. Base Rent During Phase I Construction: $5,000 per month until the earlier to occur of beneficial occupancy or 9 months.

c. Adjustments to Base Rent:

(1) Cost of living adjustments every 3 years

(2) At year 10, Base Rent adjusted to the greater of: (a) cost of living increase; or (b) 50% of average total monthly rent (Base Rent and Percentage Rent) due during the 7th, 8th, and 9th lease years.

d. Rent for Valet Parking at SWL 324 - $600 per month with annual cost of living increases.

5. **Percentage Rent**: 7% of all sales receipts.

6. **Port Participation in Improvement Costs Through Rent Credits**

a. Port will participate in 50% of improvement costs, to a maximum of $1,000,000 for Phase I and a maximum of $700,000 for Phase II.

b. Maximum construction amortization schedule: 40% of monthly Percentage Rent (Percentage Rent due in excess of Base Rent)

c. Maximum amortization period:

(1) One-phase project - Maximum of ten years. (The project shall be considered a one-phase project if construction of Phase II commences less than three years following the completion of the Phase I construction).

(2) Two-phase project - Maximum of seven years for each phase. If Phase II is completed before Bundox has fully amortized Phase I credits, Phase II credits shall not commence until the earlier of the following occurs: (a) Bundox has received full amortization of Phase I credits, or (b) seven years after the completion of Phase I.

7. **Assignment/Sale of Business**

a. Port approval required with the following factors to be included in the Port's deliberation: (1) projected gross sales and percentage rent to be paid by assignee;

(2) changes in name, reputation, menu, ambiance, and management and operational style.

b. Upon assignment, in connection with the sale of Bundox's business, Base Rent and Percentage Rent factor to be increased to market rates with appraisal provision. Market rates shall reflect the improvements made to the premises.

c. For a 5-year period following assignment, Mr. Al Falchi shall (1) have a management agreement with assignee, (2) personally guarantee the lease, and (3) not act as a principal in another restaurant located within 1,000 feet of the shoreline of Port jurisdiction.

8. Miscellaneous

a. Construction performance/completion bond required.

b. Port responsible for maintaining the substructure.

c. Hazardous materials removal performed at Bundox's cost up to maximum of $5,000. Credit against Base Rent for removal costs in excess of $5,000. (Port survey of premises identified some asbestos, which should be removed at any cost of less than $5,000).

d. Hazardous materials indemnity to exclude pre-existing conditions.

A table is attached that presents a scenario illustrating the potential rental stream to the Port resulting from the proposed lease under a Phase I mode.

Prepared by: Frederic White, Director, Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-133**

WHEREAS, Charter Section 3.581 empowers the Port Commission with power and duty to use, conduct, operate,maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the San Francisco Administration Code, Section 23.24, provides that retail sites shall be offered to the public through competitive bidding; and

WHEREAS, the Port remains committed to fostering and encouraging full and equitable opportunity for leasing of retail sites to all businesses that wish to develop a waterfront business; and

WHEREAS, in order to balance the benefits of competitive bidding with the benefits of direct negotiation with existing tenants; the Port Commission adopted the Leasing Policy for Retail Sites on April 28, 1993 through Resolution No. 93-52; and

WHEREAS, Bundox Restaurant, Inc., an existing Port tenant, has requested a lease for the Waterfront Restaurant site at Pier 7.5, pursuant to the Leasing Policy for Retail Sites; and

WHEREAS, The Leasing Policy for Retail Sites provides that a retail lease may be directly negotiated when:

1. The tenant is in good standing; and
2. The tenant is making a significant capital investment in the site; and
3. The tenancy is in the best economic interest of the Port; and
4. The tenant has a good affirmative action and non-discrimination record and is committed to future compliance.

WHEREAS, the Leasing Policy for Retail Sites further requires that, prior to granting a lease pursuant to the Policy, the Port Commission must make a finding that the benefits of direct negotiation outweigh the benefits of competitive bidding; and

WHEREAS, the Port Commission has determined that Bundox Restaurant meets the conditions for direct negotiation; and

WHEREAS, the Port Commission has found that benefits of this leasehold outweigh the potential benefits of offering the site through competitive bidding; and

WHEREAS, Port Commission approval is being sought for Lease L-11859 between the Port and Bundox Restaurant, Inc., a California Corporation, the terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on October 11, 1994; and

WHEREAS, on December 3, 1993, the Department of City Planning issued for public review a preliminary negative declaration, Case #93.508E, for the proposed expansion of the Waterfront Restaurant, and on January 20, 1994, the negative declaration was finalized by the Department of City Planning; and the configuration of the proposed pile-supported outdoor dining and public access area has been reoriented from that which was analyzed in the final negative declaration from east/west to north/south and reduces the water surface coverage from approximately 4,131 square feet to 3,185 square feet with approximately 2,055 square feet of public access and approximately 1,131 square feet of new dining area, thereby lessening the impacts of the project on San Francisco Bay, while not changing the quality of the public access; now therefore, be it

RESOLVED, that this Port Commission has considered and reviewed the Final Negative Declaration and adopts said Final Negative Declaration, and hereby finds and determines that the proposed expansion of the Waterfront Restaurant, reconfiguration of the finger pier at Pier 7½ and provision of additional public access will have no significant impact on the environment, and adopts and incorporates herein by reference thereto the findings of the Final Negative Declaration, Case #93.508E, issued by the Department of City Planning, a copy of which is on file with the Secretary of the Port Commission; and be it further

RESOLVED, that the Port Commission hereby further finds and determines in that since certification of the final negative declaration, (a) there have been no subsequent changes proposed in the project (including without limiting the foregoing, the proposed revision in the configuration of the proposed pile-supported outdoor dining and public access area) which require revisions in the negative declaration or preparation of an environmental impact report due to the involvement of new environmental impacts not considered in the final negative declaration, (b) no substantial changes have occurred with respect to the circumstances under which the project is undertaken which require revisions to the final negative declaration or preparation of an environmental impact report due to the involvement of new environmental impacts not considered in the final negative declaration, and (c) no new information of substantial importance to the project has become available that shows any of the matters referred to in Section 15162(s)(3)(B) of the State Guidelines of Implementation of the California Environmental Quality Act, and be it further

RESOLVED, that the Port Commission finds that Bundox Restaurant, Inc., qualifies to directly negotiate with the Port for a long term lease pursuant to the Leasing Policy for Retail Sites; and, therefore, be it further

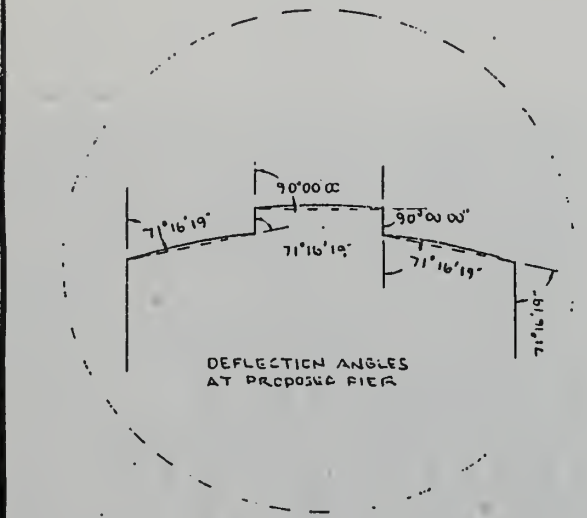
RESOLVED, that the Port Commission hereby approves Lease L-11859 between the Port and Bundox Restaurant, Inc,. incorporating the business terms set forth in the Memorandum for Agenda Item 5A for the Port Commission meeting on October 11, 1994; and that the Executive Director is hereby directed to execute the Lease L-11859 on behalf of the Port and forward said Lease L-11859 to the San Francisco Board of Supervisors for approval by ordinance pursuant to City Charter Section 7.402-1; and be it further

RESOLVED, that the Port Commission hereby further authorizes the Executive Director to modify the description of the leasehold premises attached as Exhibit A to Lease L-11859 to conform to any Conditional Use Permit issued by the City Planning Commission and to any permit issued by the San Francisco Bay Conservation and Development Commission.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 11, 1994

_____
Secretary

I:\...\agendas\bundox\KB\cp\October 5, 1994

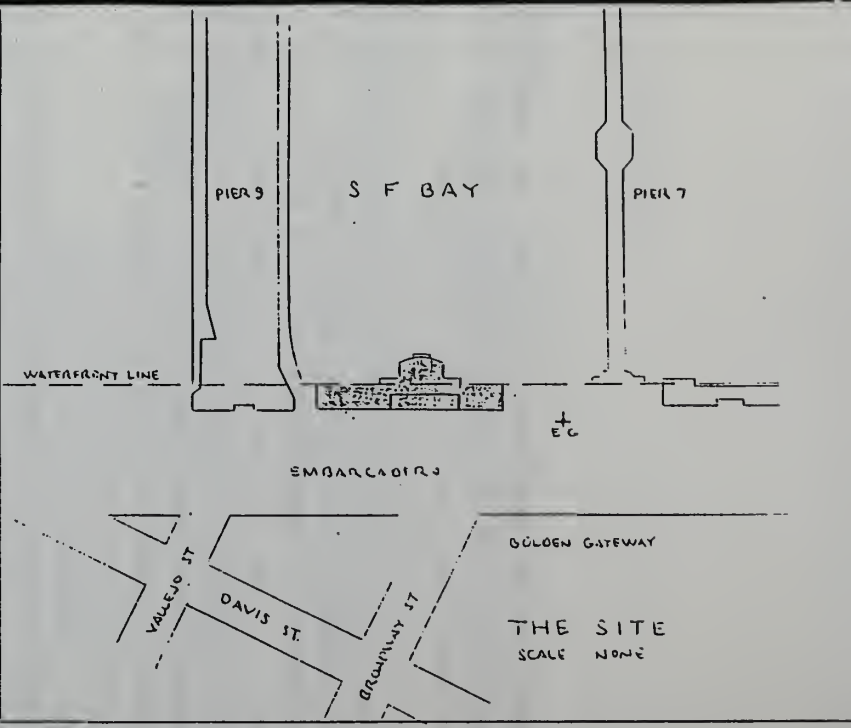


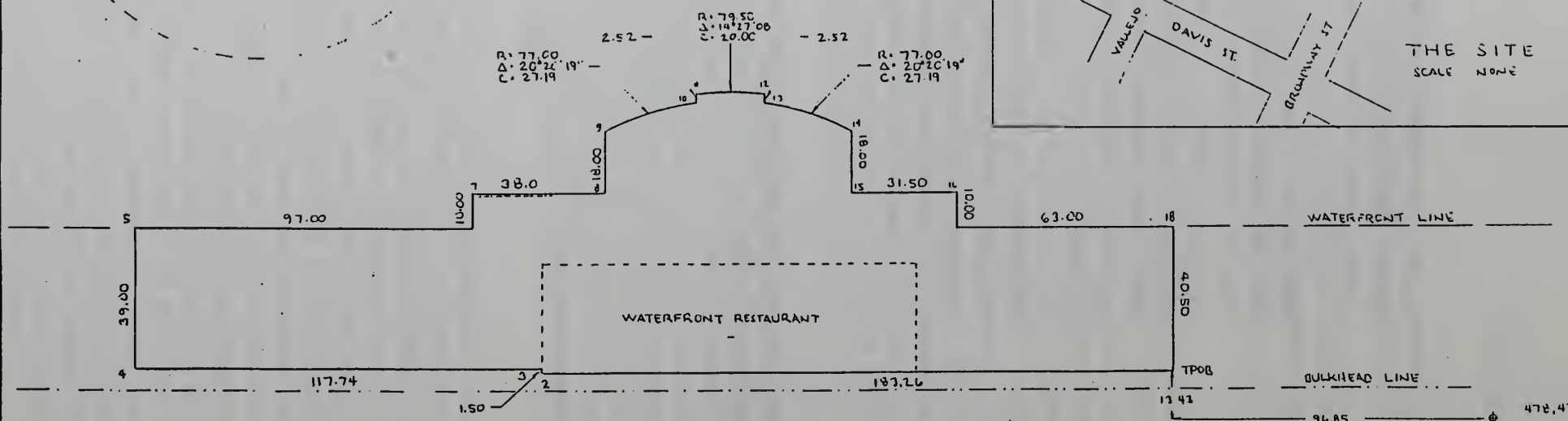
NOTES

1. DISTANCES SHOWN ARE GROUND DISTANCE
2. COORDINATES SHOWN FOR PT EG ARE CALIFORNIA ZONE III LAMBERT COORDINATES
3. REF: SFPA DWG NO 6481-464 to 469-2

SCALE 1" = 30'

TOTAL AREA = 15,213.1 SQ.FT





APPROVED BY SAN FRANCISCO PORT COMMISSION DATE _____ _____ CHIEF HARBOR ENGINEER	SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	EXHIBIT A WATERFRONT RESTAURANT

DESIGNED BY: ECC		CHECKED BY: AMN	
DRAWN BY: ECC		DATE: SEPT 27 1994	
CONTRACT NO.		SCALE: AS SHOWN	
DRAWING NO.		SHEET NO.	OF SHEE

BUNDOX SALES AND RENT PROJECTIONS

Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Gross Sales	869	8,837	9,728	10,217	10,709	11,244	11,806	12,397	13,016	13,667	13,940	14,219	14,504	14,794	15,089	15,391	15,699	16,013	16,333	16,660
Percentage	61	819	881	715	750	787	826	868	911	957	976	995	1,015	1,036	1,056	1,077	1,099	1,121	1,143	1,166
Base Rent	98	210	210	229	229	229	250	250	250	478	478	478	508	508	508	539	359	539	572	572
Overage	0	409	471	488	521	558	576	618	661	479	498	517	507	528	548	538	740	582	571	594
Rent Credit	0	163	188	194	208	223	231	247	264	0	0	0	0	0	0	0	0	0	0	0
Balance	0	246	283	292	312	335	348	371	397	479	498	517	507	528	548	538	740	582	571	594
Total Rent	98	456	493	521	541	564	598	621	847	957	976	995	1,015	1,038	1,056	1,077	1,099	1,121	1,143	1,168

Note: All figures are in thousands.

ASSUMPTIONS

1. Construction of Phase I and II are completed in first year of lease.
2. Year 2 is first full year of operation.
3. Sales growth of 10% after first full year of operation with 5% growth thereafter.
4. Percentage Rent is 7% of sales.
5. Rent credits are fully amortized after year 9.

bundoxre.f.9/19/94

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

October 11, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of a temporary public art installation at the Ferry, Building, "Navigational Crossroads" by artist Connie Hatch, as part of the Capp Street's Art In the Urban Landscape Projects".

DIRECTOR'S RECOMMENDATION: APPROVE TEMPORARY INSTALLATION OF PUBLIC ART AT THE FERRY BUILDING.

The Capp Street Project has received a grant from the Wallace Alexander Gerbode Foundation for the installation of six public art pieces throughout the city of San Francisco. Each recipient will be given a grant of $37,700 to create a semi-permanent (2-5 years) public artwork in the city.

Capp Street and one of its selected artist, Connie Hatch, is requesting permission from the Commission to install a photographic montage on glass panels surrounding the exterior doors of the Ferry Building, at the top of the stairway leading to the offices of Limbach, Limbach and Sutton (location drawing attached.) Port Staff met with the artists and representatives of Limbach to review the proposal. The Limbach's office manager, Mr. Bob Buyer endorsed the installation as an enhancement to the entrance.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

The Port installation will be part of a larger work entitled *Navigational Crossraods* which has been commissioned by the Capp Street Project. Ms. Hatch designed Navigational Crossroads for three transit locations in San Francisco: the Forest Hills MUNI Station, the Ferry Building, and the Transbay Terminal. Approvals have been granted from both MUNI and Caltrans for installation.

Ms. Hatch will gather historical photographic images of California women--" the famous, infamous, anonymous, pioneers, outlaws--i.e. the range of extraordinary females who criss-crossed California", and combine these with Hatch's photographs of contemporary women. There will be an emphasis on a maritime theme.

The imagery will be on positive photographic transparencies laminated onto acrylite. The material is translucent and will be legible from the exterior of the building as well as from the interior. Information plaques will also be provided to explain the installation. All expenses of the project will be the responsibility of the Capp Street Project including installation, maintenance, insurance, de-installation, and return of the site to its original condition.

Port Staff has informed the artist and Capp Street sponsors of the plans for renovating the Ferry Building. They have agreed to remove the work after the minimum 2-year viewing period required by the foundation grant. The removal of the work will at the expense of the artist and/or the Capp Street Project.

Prepared by: Sharon Lee Polledri
Director of Planning and Development

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-138

WHEREAS, the Capp Street Project has received a grant from the Gerbode Foundation for the installation of public art throughout the City of San Francisco; and

WHEREAS, the Capp Street Project has selected Ms. Connie Hatch to install a series of photo montages at three different transportation centers throughout the City; and

WHEREAS, Ms. Hatch has selected the entrance to the Ferry Building as one of the three sites for an art installation entitled "Navigational Crossroads," now, therefore be it

RESOLVED, that the Port Commission does hereby authorize the Executive Director of the Port to allow Ms. Hatch and the Capp Street Project to install a photographic montage around the entrance to the Ferry Building.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of October 11, 1994.

_____

Secretary

Navigational Crossroads by Connie Hatch

Connie Hatch's photographically based project will be located in three transit stations. Consistent with her previous work, the subject will be women, history, lost and found, and public memory. Hatch will gather historical photographic images of California women--"the famous, infamous, anonymous, pioneers, outlaws--i.e. the range of extraordinary females who criss-crossed California," and combine these with Hatch's photographs of contemporary women.

Hatch enlarges the photographs and has them printed as black and white positive transparencies which are translucent, i.e., do not block out light. They are laminated onto acrlylite, a very thin acrylic sheet, so that they are fused with the support. They are lightweight, extremely durable, and resistant to damage. They would require no more maintenance than ordinary window cleaning.

Port of San Francisco:
One of the entrances to the Ferry Building is located at the top of a wide stairway. The beautiful glass doors and surrounding panels that lead into the building are original. Hatch proposes to inset positive transparency photographs on the interior of the some of the glass panels. These will include montage landscapes and individual historical figures of women culled from historical photographic archives, along with some contemporary photographs of women as they relate to the site. They will be adhered to the glass with an strong 3M adhesive in such a way that will not cause damage. The panels can be easily removed at the termination of the installation.

Hatch has received permission from **MUNI** to create a related work in the main arched window at the Forest Hills station. She will also be mouting historical photographic portraits if wmen in a band of windows across the facade of the **Transbay Terminal** at First and Mission streets in cooperation with Caltrans.

Hatch would like to install the work at the Port in late winter or spring of 1995. The terms of the foundation grant that is supporting the installation, the work must be on view for a minimum of two years.

The San Francisco Art Commission has approved this project.

All costs, insurance, and de-installation will be covered by Capp Street Project through a grant from the W.A. Gerbode Foundation.

Press Release

February 12, 1994

Media Contact: **Constance Lewallen, 415.771.5224**
or Linda Blumberg, 415.495.7101

CAPP STREET PROJECT COMMISSIONS SIX PUBLIC ART PROJECTS

Capp Street Project is pleased to announce the six artists and artist collaboratives who will participate in **Art in the Urban Landscape,** the new public art program of the Wallace Alexander Gerbode Foundation and Capp Street Project. Each recipient will be given a grant of $37,700 to create a semi-permanent (2-5 year) public artwork in the city of San Francisco.

Linda Blumberg, Executive Director of Capp Street Project states, "It's very gratifying to be able to provide the funds for artists to work within the community in a public context. Capp Street is grateful to the Wallace Alexander Gerbode Foundation for their support."

Constance Lewallen, Project Director, says, "Public art has become an increasingly present fact of city life since the 1970s, but over the last two decades it has changed radically in form and intent. Artists for the most part have moved away from the site-specific sculptural object designed to ameliorate a public space. They have redefined 'site-specific' to include not only the physical conditions of a partlcular place, but also a consideration of it's cultural, political, social and environmental conditions."

DIWA (meaning "idea" or "spirit") is a coalition of Filipino-American artists who have worked together since 1986. They have created multi-media installations that address issues related to the sizable but largely invisible Bay Area Filipino-American community (the largest outside of the Philippines). The members of DIWA include: Agelio Batle, Leo Bersamina, Rene de Guzman, Russell Gonzaga, Ileana Lee, Maria Medua, Romel Padilla, Johanna Poethig and Jennifer Wofford. DIWA will develop a multiphased public work based on the Filipino custom of *Bayanihan* that represents the value of mutual support. This work will be in the form of LED signage and processions that will tie together the various local Filipino communities, past and present.

Connie Hatch's photographically based project will be located in several transit stations. Consistent with her previous work, the subject will be women, history, lost and found, and public memory. Hatch will gather historical photographic images of California women- "the famous, infamous, anonymous, pioneers, outlaws- i.e. the range of extraordinary females who criss-crossed California" and arrange them in series. Hatch's mode of installation will pair each image with its distorted shadow.

Capp Street Project
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-continued-

Alan Rath will design an interior kinetic work. It will be composed of two or more computer-controlled mechanical arms that will move smoothly and gracefully in concert with each other. The artist will choreograph 10 to 30 minute balletic "dances" for the arms. Their movement will create the impression of living organisms with moods and personalities.

Gay Outlaw's architectural structure will be made in the form of a large, tinned container that will cover a wall made of fruitcake "bricks." Outlaw, trained as a pastry chef as well as an artist, uses food substances as the raw material of her sculpture. Her piece refers to fruitcake as a ritual food associated with gift giving and to a dysfunctional society which, despite its wealth, cannot distribute its riches to feed and house the hungry.

Margaret Crane/Jon Winet will engage in a two-part public art campaign titled "Burning Issues" that will "examine critical aspects of urban life in the late 20th century." Both campaigns will be characterized by a series of inter-related print and electronic publications that will be aimed at targeted groups identified through the use of market and social research techniques. The artists will direct their first campaign toward the topic of mental health and will look to find areas where "the personal meets the political."

Rigo 94 will create a series of outdoor murals he calls "Pointers." These large, graphic arrows, mimicking the style of traffic signs, will point in various directions at concepts, ideas and situations. These places—"sky," "water," "ground," "no rush"—may be spiritual, geological or psychological.

All works will be sited in San Francisco. Specific locations will be announced as they are determined. The press and public will be notified at the realization of each project.

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The artists who were considered for **Art in the Urban Landscape** were nominated by curators, teachers, artists, art professionals and community representatives from the Bay Area and elsewhere. An international selection panel reviewed the nominees and selected the finalists. The panelists were: Chris Bruce, Senior Curator, Henry Gallery, Washington, DC.; Patricia Fuller, public art consultant, Boston; Alfredo Jaar, artist, New York; Joe Lewis, artist, Public Art Program Administrator for the Department of Cultural Affairs, Los Angeles, and visiting art faculty, California Institute of the Arts; Regina Silveira, artist and professor, Sao Paulo, Brazil; and Andrea Schlieker, Assistant Director, Serpentine Gallery, London.

Art in the Urban Landscape is directed by Constance Lewallen through Capp Street Project. Lewallen, an independent curator and writer, was formerly Curator of the MATRIX program at the University Art Museum, UC Berkeley and Associate Director of Crown Point Press. Capp Street Project is a residency/exhibition program supporting multi-disciplinary work by local, national and international artists. In addition to its regular exhibition schedule, it has also presented temporary off-site installations in response to public sites in the Bay Area.

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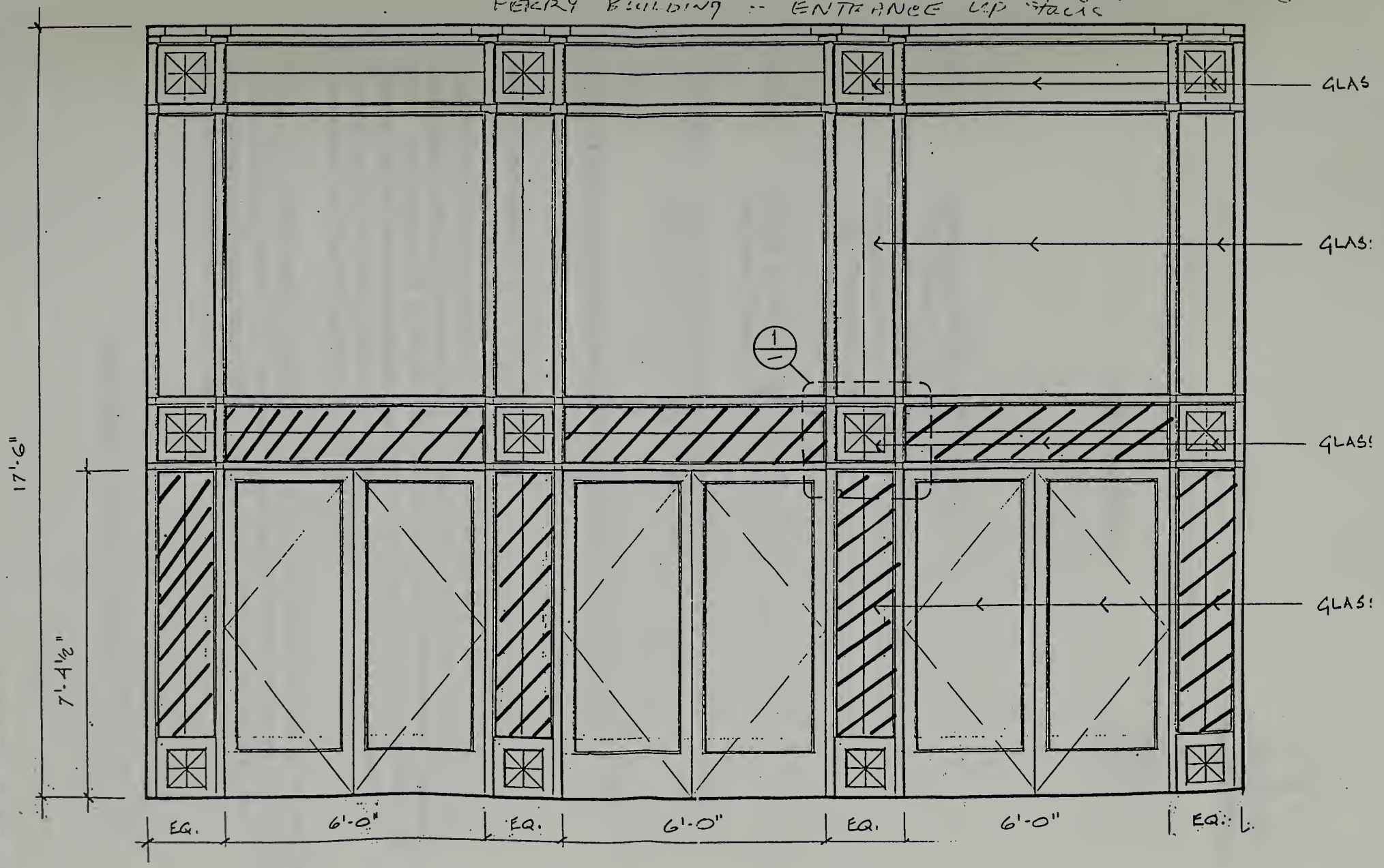
For more information call Capp Street Project at 415.495.7101

DENOTES AREA FOR CONNIE HATCH photographic montage.

FERRY BUILDING -- ENTRANCE UP STAIRS



PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

October 5, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Request approval to vacate a portion of Third Street between Fourth Street and Channel Street for the Mission Bay Project

DIRECTOR'S RECOMMENDATION: APPROVE ATTACHED RESOLUTION

Project Description

The Mission Bay Project ("Mission Bay") is a major mixed-use development encompassing nearly 300 acres of land on both sides of Third Street south of China Basin. The developer of the Mission Bay Project is Catellus Development Corporation, formerly the real estate development subsidiary of the Southern Pacific Railroad. The Mission Bay Project was approved by the Board of Supervisors, City Planning Commission and Port Commission in 1991 and 1992.

While most of Mission Bay is proposed to be located on former railyards of the Southern Pacific Railroad, portions of the proposed project are located on Port property. The Port and Catellus have entered into a series of agreements relating to Port lands located within the Mission Bay Project Area.

. THIS PRINT COVERS CALENDAR ITEM NO. 9A

The agreements are generally described below.

- The Port Land Transfer Agreement involves "trading" approximately 15 acres of Port property in the Mission Bay area for the approximately 26 acre Western Pacific Property, which is owned by Catellus. These parcels are shown in Exhibits 1-A and 1-B. The Port and Catellus are currently working on the execution of this transfer.

- The Port Agreement to License and Option involves a series of license agreements under which the Port is leasing property to Catellus for parklands and open space. The agreement identifies several separate parcels, which are shown in Exhibit 2. In September, 1993 Catellus began leasing a 10.882 acre parcel from the Port for a wetlands park (the Pier Park parcel, which is referred to as Parcel "PP"). Catellus pays the Port $968,367 in annual lease payments for Parcel PP.

A portion of the Third Street right-of-way currently lies within the boundaries of Parcel PP. It is a thin strip of property approximately 61.5 feet wide running parallel to Third Street between Fourth and Channel Streets, as shown in the Exhibit 3. It is currently impassable; i.e. it is not part of the physical area presently used as the street.

This portion of Third Street must be vacated in order to legally become part of parcel PP, which would then make it subject to the "Wetlands Park" license agreement. The property will remain under Port jurisdiction, and the Port and the City will maintain existing utility easements on the property.

Prepared by: Joseph Roger for
Cliff Jarrard, Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-139

WHEREAS, the Mission Bay Project is a large scale, mixed-use urban development project covering approximately 300 acres along Third Street south of China Basin, with portions of the project located within Port jurisdiction; and

WHEREAS, the Port Commission approved Resolution No. 91-110 on December 11, 1991 and Resolution No. 93-125 on September 8, 1993 which authorized the execution of the "Port Agreement to License and Option" and the "Port Land Transfer Agreement", agreements under which Port property would be included in the Mission Bay development; and

WHEREAS, the Port Agreement to License and Option includes a License Agreement for the Pier Park parcel (or Parcel "PP"), a 10.882 acre parcel to be developed by Catellus as a wetlands park; and

WHEREAS, the License Agreement for Parcel PP was executed on September 8, 1993; and

WHEREAS, a portion of the Third Street right-of-way currently lies within the boundaries of Parcel PP, and must be vacated in order to legally become part of Parcel PP; now, therefore be it

RESOLVED, that the Port Commission approves of the vacation of the portion of Third Street identified in Exhibit 3 that lies within Parcel PP, as identified in the Port Agreement to License and Option; and be it further

RESOLVED, that the Port and the City will retain utility easements across the subject property; and be it further

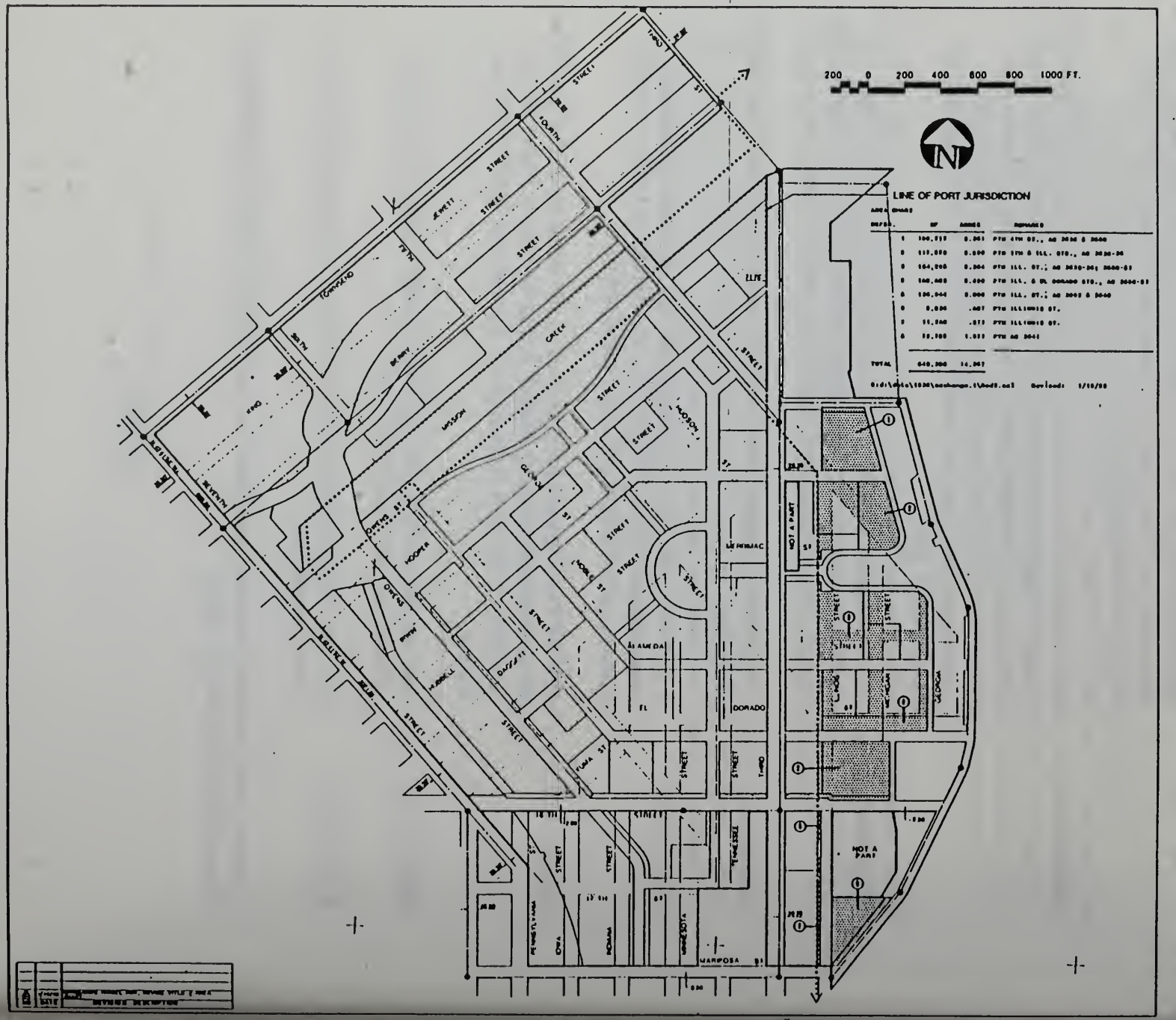
RESOLVED, that the vacated property shall remain under the jurisdiction of the Port Commission.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 11, 1994.

_____

Secretary

EXHIBIT 1-A



Mission Bay Plan

LEGEND:

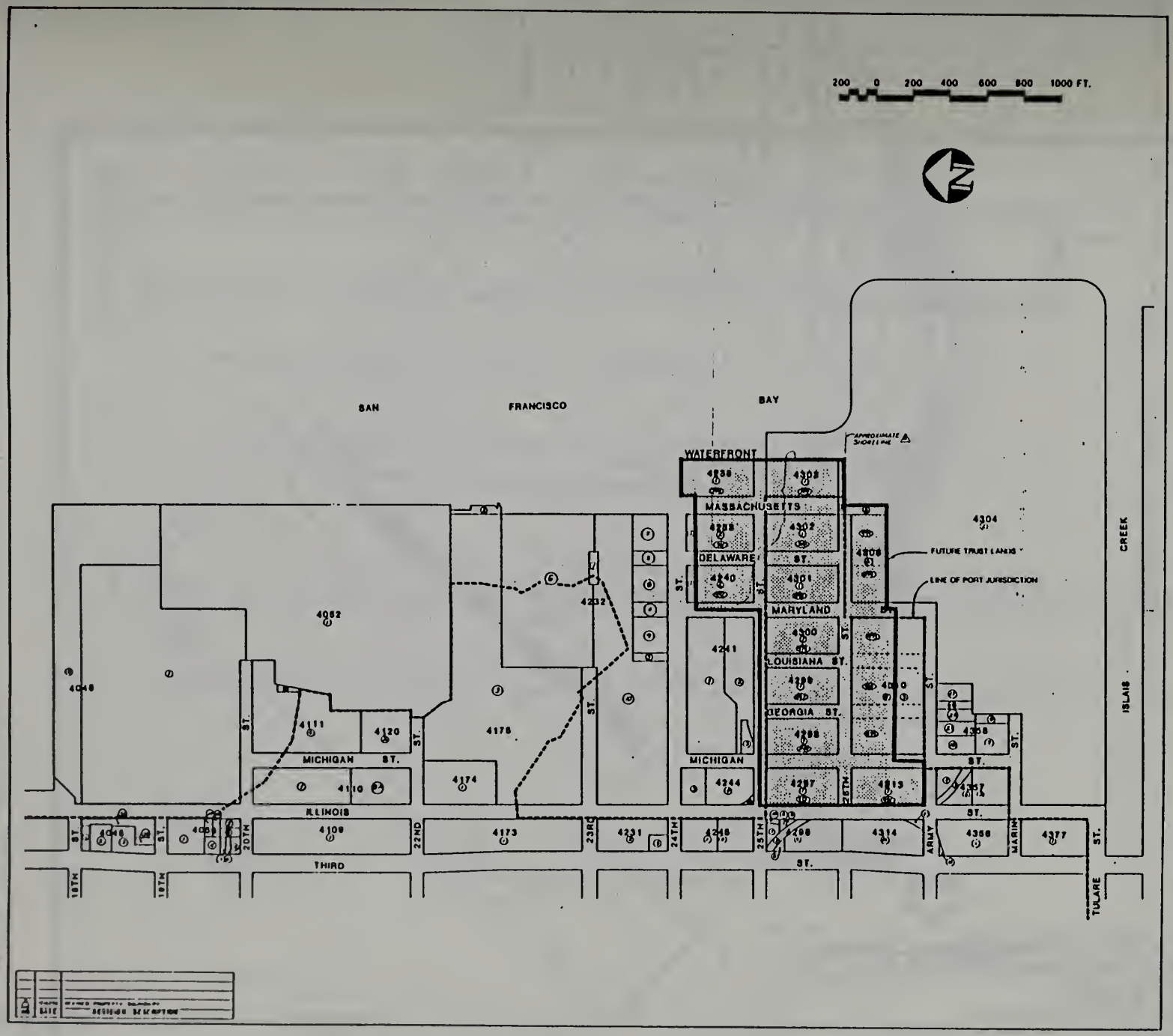
PORT LAND TRANSFER AGREEMENT

PORT TRANSFER PARCELS/CATELLUS QUITCLAIM LAND

EXHIBIT PREPARED BY KCA ENGINEERS

SHEET 1 OF 1

EXHIBIT "B"



Mission Bay Plan

LEGEND:

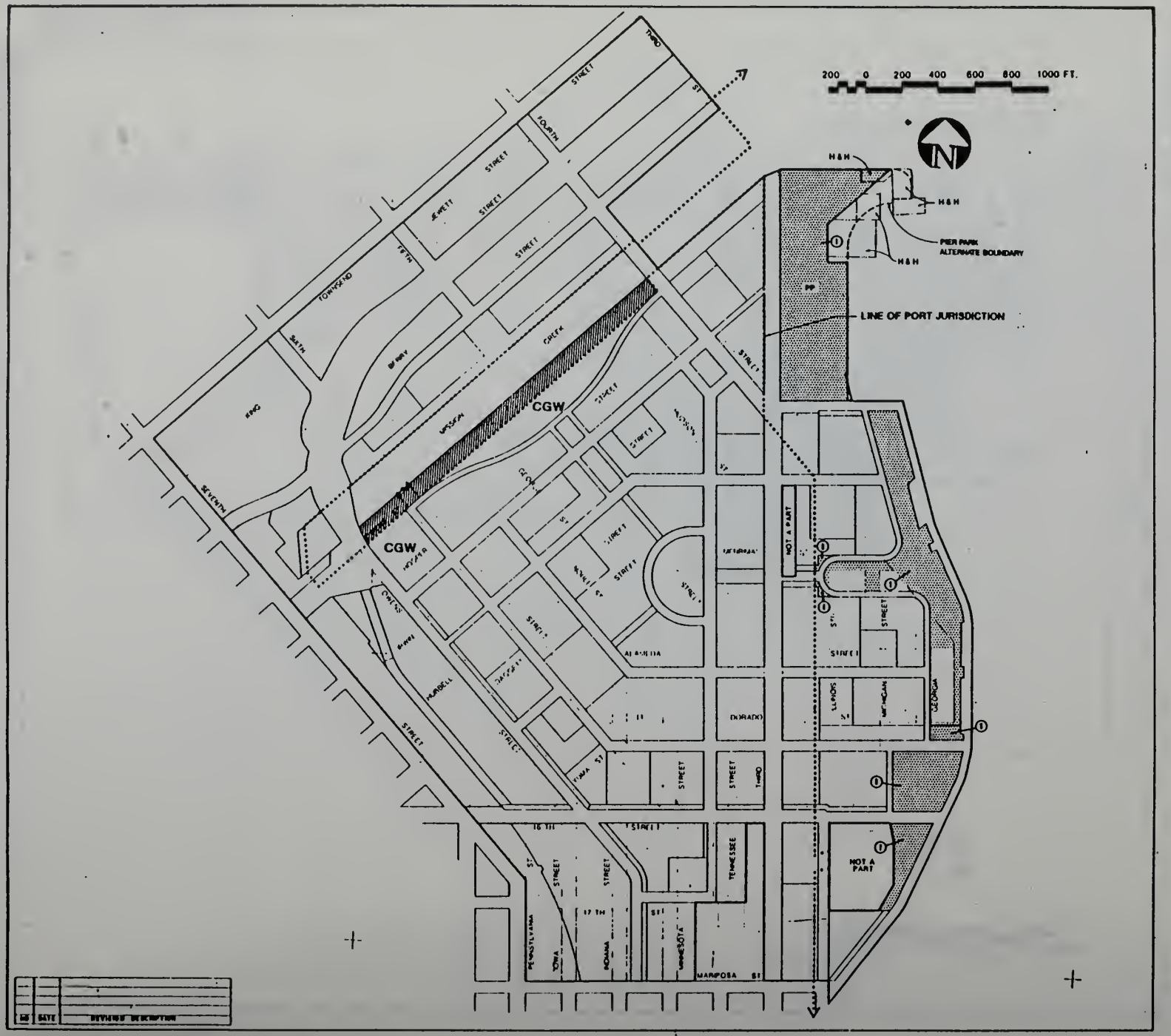
PORT LAND TRANSFER AGREEMENT

WESTERN PACIFIC PROPERTY

EXHIBIT PREPARED BY KCA ENGINEERS

SHEET 1 OF 1

EXHIBIT 2 – PORT LICENSE PARCELS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ALAMEDA
DORADO
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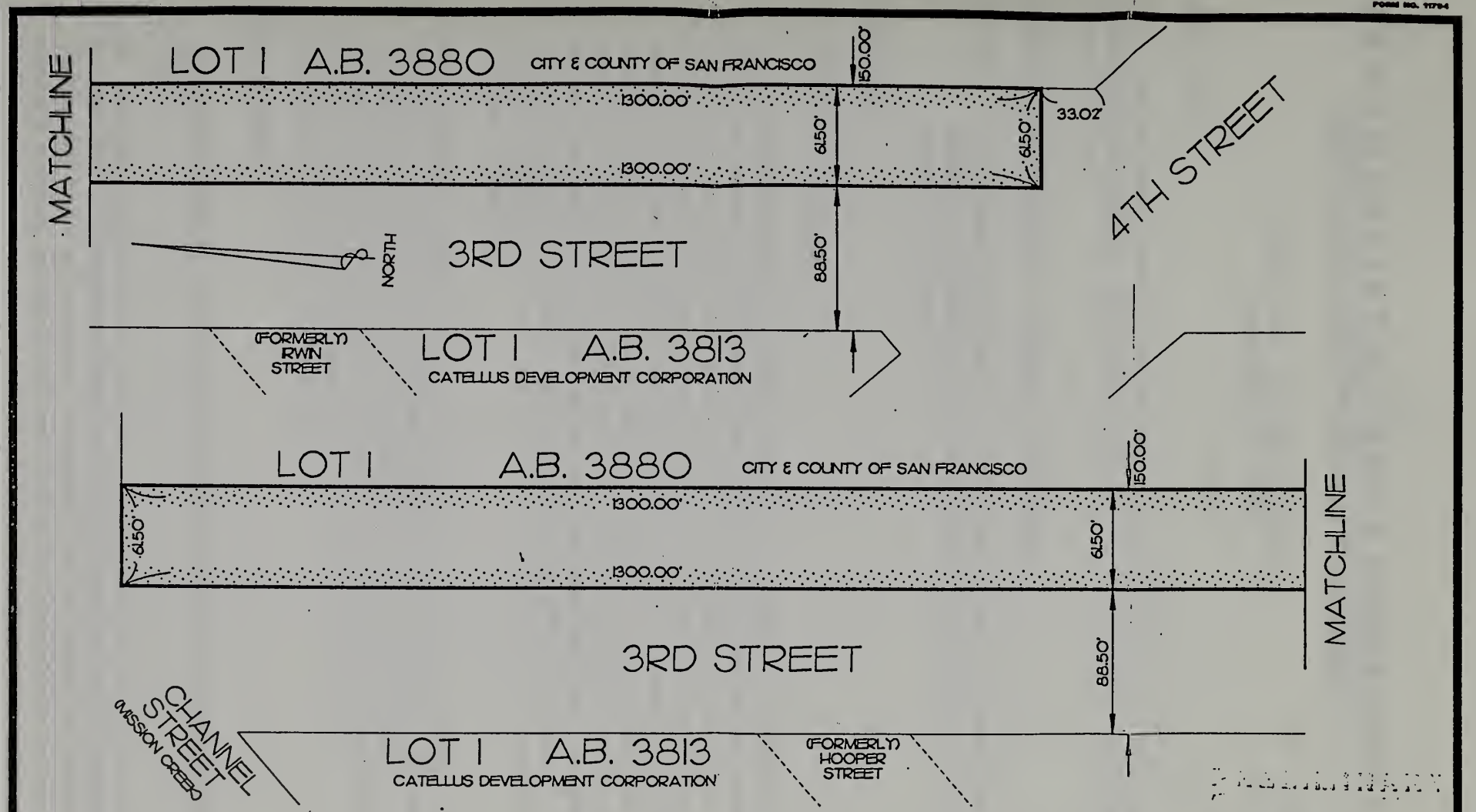
HOOPER

EXHIBIT 3



	BY	DATE
DR.	RK	3/30/94
TR.		
CK.		
APP.		
APP.		

CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF PUBLIC WORKS - BUREAU OF ENGINEERING

PROPOSED STREET VACATION OF
A PORTION OF THIRD STREET
BETWEEN FOURTH STREET AND CHANNEL STREET

APPROVED
DATE CITY ENGINEER

SCALE 1"=60' | SHEET 18 OF 20 SHEETS | FILE | CHANGE

REFERENCES

NO.	DATE	DESCRIPTION	BY

TABLE OF CHANGES
CAUTION: CHECK WITH TRACING TO SEE IF YOU HAVE LATEST REVISION

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

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MINUTES OF THE MEETING
OCTOBER 11, 1994

1. **ROLL CALL**

The meeting was called to order by President Preston Cook at 4:10 p.m. The following Commissioners were present: Preston Cook, Anne Halsted, Frank O'Neill, Frankie Lee and Michael Hardeman.

2. **APPROVAL OF MINUTES** - September 27, 1994 Minutes

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; minutes of the September 27, 1994 meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Mr. Bouey reported that approximately a year ago, the Department of Public Works (DPW) was informed by the Regional Water Quality Control Board that they needed to build a new sewer outfall, part of which will transverse our Marin Street property. BCDC, whose permit is required in order to perform the sewer work, required, as a condition of the permit, public access on the property. DPW negotiated with the Port to reserve a portion of the parcel for open space for $184,000. Because the public space wouldn't sit atop the sewer and prevent the Port from using that space for other purposes, Port staff felt that the land should be valued somewhat higher. Staff made the determination of fair market value and negotiated with DPW a new price of $525,000. Within the next week or so, Mr. Bouey will sign a permit so that DPW may commence construction.

Port staff has been successful in obtaining a $1 million grant from the federal government to be used for the planning and design of the Ferry Building. The money is expected to be received sometime in spring of 1995. Commissioner Halsted understood that the effort to get the $1 million was hard fought and suggested that the Commission send a note to Representative Nancy Pelosi for her efforts. The Commission and Mr. Bouey both concurred.

4. **SPECIAL ITEM**

A. Informational Presentation by the CAO's office of the Mid-Embarcadero Open Space Project

Mr. Bouey stated that Emilio Cruz and Rebecca Kohlstrand from the CAO's office will be making the Mid-Embarcadero Open Space (MEOS) presentation and soliciting the Commission's review and comments. He suggested that staff capture the Commission's comments in writing, and that he will send a draft to the Commissioners for their

review and then transmit the document memorializing the comments to the CAO's office. From his standpoint, that while there are a number of issues, he would like to highlight two: (1) F-Line and (2) the Muni Turnaround.

Mr. Bouey stated that as the waterfront becomes more developed, there ought to be one line dedicated from Fisherman's Wharf all the way to China Basin; so people can get to any place in the waterfront with a certain amount of ease. Currently, the thinking is to have the F-line run from Fisherman's Wharf to and up Market Street; and another line, the MMX, run from Third Street to and up Market Street. Accordingly, a passenger travelling from Fisherman's Wharf to South Beach Harbor would have to transfer. Also, apparently different types of cars will be used on the F-Line and the MMX: historic trolleys for the F-line and a newer, sleeker cars on the MMX line. He hopes that Muni would not create an infrastructure that would preclude a single car from running the entire length of the waterfront. Secondly, Muni has indicated that they would like approximately 60 feet of Port property to expand their layover site. While he thinks Port can accommodate some expansion, he's not sure 60 feet is the right number. He believes that if Muni changes its operation, Port can conceivably give less property. The difference between giving up 30 or 60 feet determines the size of the sidewalk that will be located on the east and the west sides of the Embarcadero. The larger the expansion area that Port gives to Muni for the layover site, the wider the sidewalk becomes on the west side and the narrower the sidewalk becomes on the water side of the street. He believes that it's in the Port's best interest to have the widest promenade possible on the water side of the Embarcadero. With the Commission approving, at the conclusion of today's presentation, staff will develop a document for the Commission's review and transmittal to the CAO's office.

Rebecca Kohlstrand with the CAO's Waterfront Transportation Project office and project manager for the open space project gave a brief overview of the recommendations developed by staff and members of the mid-Embarcadero Open Space Citizens Subcommittee and also adopted by the Policy Steering Committee. The recommendations were adopted by the subcommittee, composed of representatives of 30 different neighborhoods and environmental and business organizations. While the recommendations are not unanimous, they represent a majority of the opinion. They made recommendations in four areas: land use, open space and urban design, finance and an art program for the open space area. Most of the study done was in the area between Washington Street and Folsom Street. She went on to summarize the key issues and recommendations from the study. Ms. Kohlstrand stated that this is the final Commission meeting that this plan will be presented to. They, however, have asked the Redevelopment Agency to initiate an activity to reactive the golden gateway area. Over the next two years, they plan to do the necessary environmental studies, to consider rezoning the land swaps for the expansion of the golden gateway area. They are also incorporating the design work for the roadway into the environmental process. The draft environmental document is expected in mid-1995 with expectation of a final draft by the end of next year.

Commissioner O'Neill inquired if all these plans illuminate the wall that separates the Embarcadero from the rest of the City. Ms. Kohlstrand stated that they do not have any specific design plans yet. In the environmental work that was done for the roadway, they know that is a sensitive noise receptor. They will take this into account in the final design of the area.

Commissioner Halsted inquired about the width of the median. Ms. Kohlstrand stated the median comes out to 69½ on either side. They are recommending that the crosswalk area be extended to 80 feet rather than 40 feet as there's a surging of activity as people come up to the Ferry Building.

Commissioner Lee inquired about any considerations of having more parking. Ms. Kohlstrand stated that as part of the roadway project, they assessed the number of parking spaces that will be lost along the Embarcadero due to the roadway project and they continue to work with the Port in terms of environmentally documenting and assessing its impact and they are working with the federal government whether they will assist financially in providing replacement parking. One of the sites identified is Block 202 - to do underground parking in that site is a very costly venture.

Commissioner Halsted wondered what can be done to make the streetcar run continuously along the Embarcadero. Emilio Cruz from the Waterfront Transportation Project office, responded that the concept of a connection of the F-line with the MMX is physically possible at a future date even if they are to proceed with the plans as they are today. However, there are some considerations with respect to the fact that there are two separate rail vehicles that will be operated at each end. To make the connection possible, two things have to happen: (1) an expression from the Port Commission to the Public Transportation Commission (PTC) that is a desirable project in order to put that project on the PTC's capital improvement program as it does not currently exist on the program; (2) give enough importance so that it is high enough on the program that it is within the funding. Currently PTC is about $700 million short of funding its $2.6 billion program. Indication of this Commission to PTC would carry substantial weight.

Commissioner Cook inquired if this can be done in the future since the rail widths are the same. Mr. Cruz stated that the track gauges are the same, however, the electrification systems are different. The most important difference is that the Muni cars which will operate on the South Beach area unload to the center of the trackway whereas the F-line tracks unload to the side. Presumably, the rail car of choice would be the F-line to proceed south, there would be some construction necessary in the median area to accommodate side loading as well as center loading but it is minor in the scheme of overall implementation. Commissioner Cook asked whether the decision was solely based on monetary consideration. Mr. Cruz stated that in 1985 when the I-280 transfer concept program EIR was done, there were 3 rail lines that were considered: F-Line, MMX and E-Line (which was a rail connection from Fisherman's Wharf all the way to Mission Bay). In 1985, the projected ridership did not warrant the capital improvement necessary to put it in. Since 1985, many things have happened and the growth in the South Beach area warrants reconsideration. The primary decision was made based on 1985 data that there was not enough money for separate rail line.

Commissioner O'Neill asked how many lanes of traffic north and south on the Embarcadero are included in the plan. Mr. Cruz replied that there will be a minimum of two lanes of traffic south of Folsom Street and north of Broadway Street. Within the central area, they are looking at a number of alternatives but the bulk of them consider three lanes in each of direction of peak hours of traffic narrowing down to two lanes off-peak.

Commissioner Hardeman asked if any investigation or accommodation is being made

for cable cars coming to the Ferry Building. Mr. Cruz stated that there was a concept forwarded earlier which looked at extending the cable car line to the foot of Market Street which is technically feasible; however, it again falls under the funding. According to the Public Transportation Commission (PTC), the ridership does not warrant the $5-10 million cost. However, if there are monies that could be made available to the open space project, they would be willing to entertain the thought of making that extension.

Patricia DiGiorgio, chair of the World Centre, stated that several months ago the World Centre made a formal presentation to the Mid-Embarcadero open space subcommittee as it related to Blocks 202 and 203. She briefly read a summarization of what the World Centre is all about. She also stated that Blocks 202 and 203 would be an absolutely ideal place for the World Centre to occupy as it will be accessible to the public and will create a legacy for our community. She passed out an information packet along with letters from Senator Quentin Kopp relating to Blocks 202 and 203.

Clark Manus, President of AIA, and Vice Chair of MEOS, commented that Alternative 3 strikes a balance on a whole variety of things. One of the things that the Commission has to address in dealing with the continuity of the rail and median is the size of the sidewalk in front of the "E" street block of buildings. He encouraged the Commission to take the next step to ensure that Muni has a place but does not extend further to the east so that there would be an opportunity to make this median continuous from north to south. He agreed to the alternative of creating a plaza in front of the Ferry Building which will help to reinforce the potential retail use at the Ferry Building. He encouraged that this be a strong Commission to make these things happen and find a way to implement this alternative.

Morton Beebe, Author and Photographer and consultant to the World Centre Project hopes that in the near future, with the Commission's consideration, the World Centre Project might be able to move ahead as he think it's a great use of space because it has the advantage of being open space. He stated that it is an extremely attractive and a wonderful space and would be a major attraction to San Francisco and serve a great public need.

Bob Tibbits, Chairman of the mid-Embarcadero Open Space Committee, stated that there was general consensus amongst one-half of the committee who participated regularly. He commented that: (1) Before they got underway with the MEOS, the ROMA Design Group study that came out of the Central Embarcadero Open Space Citizens Advisory Committee was predicated on the fact that the terminal separator structure will be rebuilt. That prejudiced their own group to believe that there should be a straight alignment of the roadway in front of the Ferry Building. When the rebuilding of the terminal separator structure was abandoned, the notions of curb roadways came up and was supported by Civic Design of the Arts Commission and the former Executive Director of the City Planning Commission (Allen Jacobs). (2) Muni Layover - They never had any discussions because that area for all intents and purposes, at least in his mind, should be a park. They are aware that the Port may consider putting in underground garage in Block 202 which would presumably cause additional construction activity on the roadway and further delay the actual completion. He urged the Port to stick to its plan on the split roadway for better service to the Ferry Building and consider the extension of the F-Line directly into the center going onto the Embarcadero.

Eula Walters, Citizens for Open Space, handed out a copy of her letter summarizing her group's comments and unequivocal desire to keep the park as open space for recreational purposes and no building of any kind be permitted to be built upon it and offered their rationale of keeping the park open space.

Carl Maletic of DeMars and Maletic firm and a member of the Citizens Advisory Committee talked about the split roadway concept. He and his partner has worked on this concept over the last four years and focused on the two main issues: the F-line and Muni layover. He handed each Commissioner a package regarding these issues for their review and asked to convey a message to the CAO's office that the split roadway is a viable alternative. He further discussed the split roadway concept.

Lorita Aarons representing the Golden Gateway Tenants Association has a particular interest on Blocks 202 and 203. They would like these blocks to remain park and open space and not to be used to finance another open space and certainly not for parking.

Howard Strassner representing the Sierra Club talked about the Muni turnaround - he was glad to see that the Executive Director understands the need to give 30-40 feet to complete the Muni turnaround. He recommended that the Commission not consider a parking garage but to have more open space.

5. **TENANT & MARITIME SERVICES**

A. Approval of Lease with Bundox, Inc. (dba Waterfront Restaurant) at Pier 7½. (Resolution No. 94-133)

Mr. Bouey stated that this item is for discussion only; no action will be taken at this time. In 1993, the Port Commission passed a leasing policy for retail sites that requires property be offered for competitive bids, except when existing tenants meet certain criteria. The Waterfront Restaurant does meet that existing criteria and is a candidate for a negotiated lease. He mentioned the key highlights of the agreement and the required improvements. He described the premises including outdoor areas and a boat dock. The new Base Rent is $210,000 or nearly what the Port now receives on a percentage rent basis and the new percentage rent will be increased from 6 to 7%. The term of the lease is 20 years except for the valet parking lot which is 5 years. He stated that the Port retains certain termination rights and described them. With regard to the Port's participation in the improvement cost, the Port will credit up to one-half of Phase I costs ($1 million) and up to a maximum of $700,000 for Phase II. These credits will be paid to the Waterfront from the 40 percent of the monthly percentage rate. The Port requires a construction bond, a performance bond and the Port remains liable for maintaining the substructure. The Waterfront Restaurant will be responsible of up to a maximum of $5,000 for hazardous materials. As well, Waterfront Restaurant has signed an affirmative action agreement setting a goal of 30 percent of their contracts to be let to certified MBE/WBE's in San Francisco.

Mrs. Rogers of the Business Solutions Group spoke on the behalf of Al Falchi and highly supports the renewal of the Waterfront Restaurant lease. Mr. Jim Payne of the Business Solutions Group also spoke on the behalf of Al Falchi and strongly supports the renewal of the Waterfront Restaurant lease. He stated that Mr. Falchi has always been supportive of minority businesses.

Ms. Sue Hestor of San Franciscans for Reasonable Growth stated that she finds the 7% to be non-controversial, although it would be helpful to see comparison of other restaurant uses. She raised questions about the relationship of this project and the things that the Port is planning for the waterfront. She referred to the renderings as to the distance people have to walk to get to the public access. Additionally, the public access area is the minimum allotted to be considered public access. She mentioned that one of the things needed for this part of the waterfront is a friendly pedestrian experience. She stated that the Port is going through a Proposition H process about the need of opening up the waterfront and provide services. She pointed out that she does not understand the rent credits and the Port is being too generous with 50 percent of the construction cost. While going through the affirmative action report, she finds it troubling that of the 62 employees employed, only one is African American and only three are women.

Mr. Jim Thigpin, a restauranteur, spoke in support of the renewal of the Waterfront Restaurant lease. He spoke about the affirmative action program. Although he does not know what the figures are, he attested that Mr. Falchi has aggressively sought minority/women businesses and recommended that the Commission approve the renewal.

Mr. Clyde Mohr, of African American International, also spoke in support of the lease renewal. He stated that in a couple of weeks, an African American female will be in Mr. Falchi's restaurant, as an intern learning how to operate a restaurant who will, in the future, be in competition with Mr. Falchi's restaurant. He reiterated that Mr. Falchi is committed to helping minority/women owned businesses.

Mr. Mike Wilmar, counsel representing Mr. Falchi, responded on a couple of issues that Ms. Hestor made and encouraged the Commission to approve the renewal of the lease.

Commissioner Cook, with the Commissioner's approval, deferred this item for approval at the next meeting.

6. **FACILITIES & OPERATIONS**

7. **PLANNING & DEVELOPMENT**

A. Approval of Temporary Public Art Installation at the Ferry Building, "Navigational Crossroads," by Artist Connie Hatch, as part of the Capp Street's Art in the Urban Landscape Projects. (Resolution No. 94-138)

Mr. Bouey stated that Capp Street Foundation received a grant of approximately $40,000 and selected Connie Hatch as its artist. The project selected was to place positive photographic transparencies around the front doors of the Ferry Building, located directly outside the Limbach & Limbach offices. The project has been discussed with officials of Limbach & Limbach and they are in agreement. The nature of the transparencies are to be famous and infamous women. There is to be a maritime flare and most importantly, there will be an agreement between ourselves and the artist that the project would be of a duration of 2-5 years and the artwork would be removed at the sole cost of the artist.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion.

Commissioner O'Neill stated that in the package, Ms. Hatch will gather historical biographic images of California women including the "infamous" and the "outlaws." He felt strongly about those words being included and would like them deleted. He understands that the removal of the artwork will be done by the artist but wondered if there will be a any bonds presented in the event that the artwork has to be removed by staff. Mr. Bouey asked Ms. Sharon Polledri to respond to Commissioner O'Neill's concern. Ms. Sharon Polledri stated that the Port has the right to approve all images.

Commissioner Cook stated that he, too, shares the same concerns as Commissioner O'Neill. He does not like the image, does not want to support the image, will not support the image and will vote against the entire project if outlaws are included. Mr. Bouey suggested that this item be put over and allow Ms. Polledri to talk to the artist and see if she's willing to amend.

Commissioner Cook requested that the resolution clearly notes that Ms. Hatch has signed off and that it's up to the Commission or staff to remove the artwork. Since Ms. Hatch has a grant of $37,500, Commissioner Cook suggested that she leave sufficient funds in a neutral account to take the work down. Mr. Bouey stated he would have Ms. Polledri meet with the artist on these two issues before the next meeting.

ACTION: Commissioner O'Neill moved approval to table this item at the next meeting; Commissioner Cook seconded the motion. Three Commissioners were in favor; Commissioners Halsted and Hardeman casted the dissenting votes.

8. **ADMINISTRATION**

9. **CONSENT CALENDAR**

A. Request approval to vacate a portion of Third Street between Fourth Street and Channel Street for the Mission Bay Project (Resolution No. 94-139)

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

10. **NEW BUSINESS**

Mr. Bob Tibbits, President of the Telegraph Hill Dwellers, on his way to this meeting, noticed that there is an extensive use of the public right of way at Pier 39 for such things as frequent flyers, a trolley selling hotdogs and also a huge display of t-shirts for sale at the entrance of the public right of way. He asked that the Port exercise its rights and make sure that the public right of way is protected. Commissioner Cook asked staff to look into this matter. Mr. Bouey stated that he'll have a property manager look into this matter.

Absent Commissioners' objections, Commissioner Cook would like to have noted in the minutes that when a Commissioner is out of town for business, that Commissioner is "excused." However, if a Commissioner does not call in his/her absence at the meeting,

that Commissioner is "absent." Legal Counsel Julie Van Nostern advised the Commission that she'll review this matter and get back to the Commission.

Commissioner Hardeman complimented the Executive Director on the letter he sent to the Editor of the San Francisco Examiner. Commissioner O'Neill commented that thus far the Fleet Week has been extremely successful and was not aware of any problems. Mr. Bouey concurred.

11. **EXECUTIVE SESSION**

At 6:06 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matters:

A. Conference with Legal Counsel - Anticipated Litigation
   1. Motion that Port Commission meet in closed session to confer with Counsel to discuss significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9 (one case).

B. Conference with Legal Counsel - Existing Litigation
   1. Peters vs. CCSF, Superior Court No. 963-495

   The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivisions (a) and (b).

C. Conference with Real Property Negotiator

   Property: Port property located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
   Person Negotiating: Port of San Francisco Representative: James Lazarus, Director Special Projects. Port of Oakland Representative: Leo Brien, Director of Maritime

   An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland, located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal). The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. This is specifically authorized under California Government Code Section 54956.8.

D. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

   ACTION: Commissioners Cook, Halsted, O'Neill, Lee and Hardeman returned from executive session and convened in public session at 6:55 p.m. Commissioner Halsted moved approval to not disclose any information discussed on the executive session. Commissioner O'Neill seconded the motion. All Commissioners in favor.

Meeting was adjourned at 7:00 p.m.

SAN FRANCISCO
PORT COMMISSION

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OCT 25 1994
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REGULAR MEETING
4:00 P.M., OCTOBER 25, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - October 11, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

4. **SPECIAL ITEM**

5. **TENANT & MARITIME SERVICES**

   A. Approval of Lease with Bundox, Inc. (dba Waterfront Restaurant) at Pier 7½ (Resolution No. 94-133) (This item is continued from the October 11, 1994 meeting)

6. **FACILITIES & OPERATIONS**

7. **PLANNING & DEVELOPMENT**

   A. Authorizing the Executive Director to Execute an Agreement with the State of California Coastal Conservancy, the San Francisco Conservation Corps and the Friends of Islais Creek to Install Public Access Improvements Along Islais Creek (Resolution No. 94-143)

   B. Approval of Temporary Public Art Installation at the Ferry Building, "Navigational Crossroads," by Artist Connie Hatch, as part of the Capp Street's Art in the Urban Landscape Projects. (Resolution No. 94-138)

8. **ADMINISTRATION**

9. **CONSENT CALENDAR**

   A. Construction Contract No. 2603, Approving a Declaration of Emergency for the Ferry Building Third Floor Deck Repair at an approximate cost of $35,000 (Resolution No. 94-142)

10. **NEW BUSINESS**

11. EXECUTIVE SESSION

An Executive Session has been calendared to discuss the status of the following litigation matters:

A. PUBLIC EMPLOYEE APPOINTMENT

1) Confirmation of Appointment of Director of Facilities Operations & Maintenance

The City Attorney has advised that an executive session of this matter is specifically authorized under California Government Code Section 54957.

B. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

1) Motion that Port Commission meet in closed session to confer with Counsel to consider initiation of litigation pursuant to subdivision (c) of California Government Code Section 54956.9 (2 cases).

C. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

1) Peters vs. CCSF, Superior Court No. 963-495

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivisions (a) & (c).

D. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
Person Negotiating:
Port of San Francisco Representative: James Lazarus, Director Special Projects
Port of Oakland Representative: Leo Brien, Director of Maritime

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland, regarding Piers 94-96. This is specifically authorized under California Government Code Section 54956.8

E. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lots 348 and 347S, Eastside of Steuart Street between Folsom and North of Howard Streets (known as Rincon Point Park)
Person Negotiating:
Port of San Francisco Representative: Dennis Bouey, Executive Director
San Francisco Redevelopment Agency Representative: Clifford Graves, Director

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the San Francisco Redevelopment Agency regarding Rincon Point Park. This is specifically authorized under California Government Code Section 54956.8

F. VOTE in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero Station located at Market and Steuart Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American Sign Language Interpreters
- The use of a reader during the meeting
- A Sound Enhancement System
- Minutes of the Meeting in Alternative Formats
- Large Print of the Agenda

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

PORT OF SAN FRANCISCO

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MEMORANDUM

October 19, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Supplement to Agenda Item 5A
Approval of Lease with Bundox Restaurant, Inc.,
dba Waterfront Restaurant at Pier 7½

The project description of the Waterfront Restaurant expansion, as discussed in the Commission Agenda Item No. 5A for October 11, 1994, envisioned a restaurant expansion, the creation of public access areas and outdoor dining areas all located on the newly constructed finger pier and the existing south marginal wharf plus a boat dock for short term transient berthing.

This supplement offers a clarification regarding the transient berthing previously presented to the Commission at the October 11th meeting. The Commission should be aware that construction of the boat dock, required for such transient berthing, is optional. In the event the dock is constructed, it will be situated north of the new finger pier. For informational purposes only, a design of the boat dock is illustrated on the attached plan for the Commission's review.

City Planning has reviewed and approved this potential addition to the project and opined that it does not impact the scope of the project. City Planning has amended the Negative Declaration by a note to file.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

Prepared by: Frederick D. White, Director
Tenant and Maritime Services Division

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-133**

WHEREAS, Charter Section 3.581 empowers the Port Commission with power and duty to use, conduct, operate,maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the San Francisco Administrative Code, Section 23.24, provides that retail sites be offered to the public through competitive bidding; and

WHEREAS, the Port remains committed to fostering and encouraging full and equitable opportunity for leasing of retail sites to all businesses that wish to develop a waterfront business; and

WHEREAS, in order to balance the benefits of competitive bidding with the benefits of direct negotiation with existing tenants, the Port Commission adopted the Leasing Policy for Retail Sites on April 28, 1993 through Resolution No. 93-52; and

WHEREAS, Bundox Restaurant, Inc., an existing Port tenant, has requested a lease for the Waterfront Restaurant site at Pier 7.5, pursuant to the Leasing Policy for Retail Sites; and

WHEREAS, The Leasing Policy for Retail Sites provides that a retail lease may be directly negotiated when:

1. The tenant is in good standing; and
2. The tenant is making a significant capital investment in the site; and
3. The tenancy is in the best economic interest of the Port; and
4. The tenant has a good affirmative action and non-discrimination record and is committed to future compliance.

WHEREAS, the Leasing Policy for Retail Sites further requires that, prior to granting a lease pursuant to the Policy, the Port Commission must make a finding that the benefits of direct negotiation outweigh the benefits of competitive bidding; and

WHEREAS, the Port Commission has determined that Bundox Restaurant meets the conditions for direct negotiation; and

WHEREAS, the Port Commission has found that benefits of this leasehold outweigh the potential benefits of offering the site through competitive bidding; and

WHEREAS, Port Commission approval is being sought for Lease L-11859 between the Port and Bundox Restaurant, Inc., a California Corporation, the terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on October 11, 1994; and

WHEREAS, on December 3, 1993, the Department of City Planning issued for public review a preliminary negative declaration, Case #93.508E, for the proposed expansion of the Waterfront Restaurant, and on January 20, 1994, the negative declaration was finalized by the Department of City Planning; and the tenant has subsequently proposed construction of a small floating dock on the north side of the proposed new pier of approximately 940 square feet, resulting in a total project of 4,125 square feet, which addition is less than the 4,131 square feet analyzed in the final negative declaration; and

WHEREAS, on December 3, 1993, the Department of City Planning issued for public review a preliminary negative declaration, Case #93.508E, for the proposed expansion of the Waterfront Restaurant, and on January 20, 1994, the negative declaration was finalized by the Department of City Planning; and the configuration of the proposed pile-supported outdoor dining and public access area has been reoriented from that which was analyzed in the final negative declaration from east/west to north/south and reduces the water surface coverage from approximately 4,131 square feet to 3,185 square feet with approximately 2,055 square feet of public access and approximately 1,131 square feet of new dining area, thereby lessening the impacts of the project on San Francisco Bay, while not changing the quality of the public access; now therefore, be it

RESOLVED, that this Port Commission has considered and reviewed the Final Negative Declaration and adopts said Final Negative Declaration, and hereby finds and determines that the proposed expansion of the Waterfront Restaurant, reconfiguration of the finger pier at Pier 7½ and provision of additional public access will have no significant impact on the environment, and adopts and incorporates herein by reference thereto the findings of the Final Negative Declaration, Case #93.508E, issued by the Department of City Planning, a copy of which is on file with the Secretary of the Port Commission; and be it further

RESOLVED, that the Port Commission hereby further finds and determines in that since certification of the final negative declaration, (a) there have been no subsequent changes proposed in the project (including without limiting the foregoing, the proposed revision in the configuration of the proposed pile-supported outdoor dining and public access area) and the addition of the transient boat dock which require revisions in the negative declaration or preparation of an environmental impact report due to the involvement of new environmental impacts not considered in the final negative declaration, (b) no substantial changes have occurred with respect to the circumstances under which the project is undertaken which require revisions to the final negative declaration or preparation of an environmental impact report due to the involvement of new environmental impacts not considered in the final negative declaration, and (c) no new information of substantial importance to the project has become available that shows any of the matters referred to in Section 15162(s)(3)(B) of the State Guidelines of Implementation of the California Environmental Quality Act, and be it further

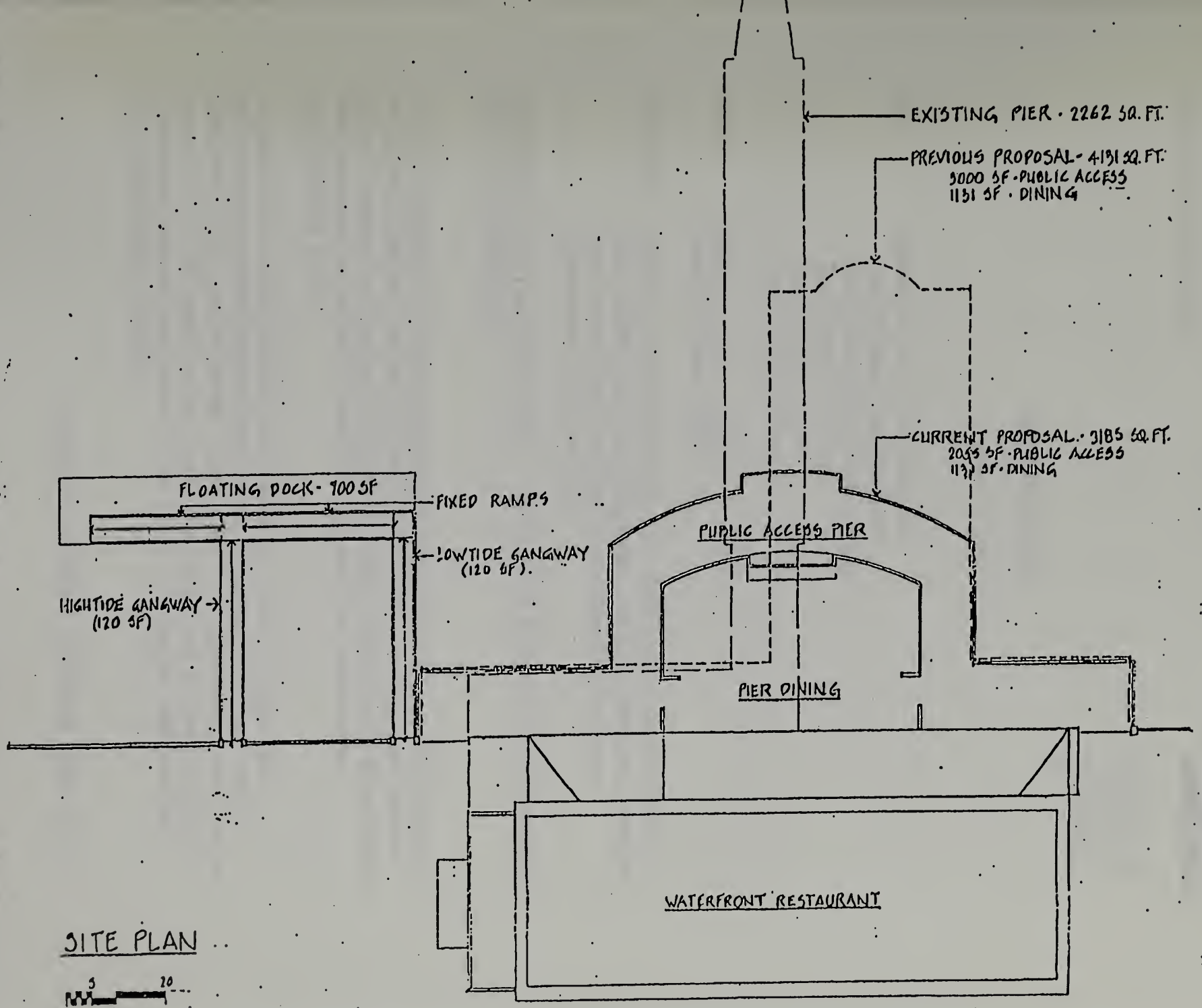
RESOLVED, that the Port Commission finds that Bundox Restaurant, Inc., qualifies to directly negotiate with the Port for a long term lease pursuant to the Leasing Policy for Retail Sites; and, therefore, be it further

RESOLVED, that the Port Commission hereby approves Lease L-11859 between the Port and Bundox Restaurant, Inc,. incorporating the business terms set forth in the Memorandum for Agenda Item 5A for the Port Commission meeting on October 11, 1994 as supplemented on October 13, 1994; and that the Executive Director is hereby directed to execute the Lease L-11859 on behalf of the Port and forward said Lease L-11859 to the San Francisco Board of Supervisors for approval by ordinance pursuant to City Charter Section 7.402-1; and be it further

RESOLVED, that the Port Commission hereby further authorizes the Executive Director to modify the description of the leasehold premises attached as Exhibit A to Lease L-11859 to conform to any Conditional Use Permit issued by the City Planning Commission and to any permit issued by the San Francisco Bay Conservation and Development Commission so long as any such changes do not materially change the square footage or configuration of the leasehold premises approved hereby and such changes are within the scope of Final Negative Declaration No. 93-508E.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 25, 1994

_____
Secretary


EXISTING PIER - 2262 SQ. FT.
PREVIOUS PROPOSAL - 4131 SQ. FT.
3000 SF - PUBLIC ACCESS
1131 SF - DINING
CURRENT PROPOSAL - 3185 SQ. FT.
2055 SF - PUBLIC ACCESS
1130 SF - DINING
FLOATING DOCK - 700 SF
FIXED RAMPS
LOWTIDE GANGWAY (120 SF).
HIGHTIDE GANGWAY (120 SF)
PUBLIC ACCESS PIER
PIER DINING
WATERFRONT RESTAURANT

SITE PLAN

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PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

October 18, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Authorizing the Executive Director to Execute an Agreement with the State of California Coastal Conservancy, the San Francisco Conservation Corps and the Friends of Islais Creek to Install Public Access Improvements along Islais Creek

DIRECTOR'S RECOMMENDATION: AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENT

The Port Commission has reviewed and approved the Friends of Islais Creek project on two separate occasions. Once in 1993 for a Right to Enter permit, granted for soils testing to determine containment levels under the Maher Ordinance and a second time in 1994 (Resolution No. 94-24) for approval of the public space improvements contemplated for the site.

Port staff is now seeking Commission authorization to enter into a grant and implementation agreement with the State Coastal Conservancy, the San Francisco Conservation Corps, and the Friends of Islais Creek. The agreement provides both the resource, a $100,000 grant from the Coastal Conservancy, and the labor, from the Conservation Corps and the Friends of Islais Creek, to design and implement public access improvements on the site.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

The Conservancy agreement parallels the Port's previous agreement with the Friends of Islais Creek in that the right of way area is reserved across the site for a future Rankin Street rail lead, contemplated by the Southern Pacific and the Port. Moreover, the agreement much like a BCDC permit, requires that the site (except for the right of way) be held open to the public for the life of the agreement, proposed to expire in the year 2014. In addition, the agreement assigns maintenance responsibilities to the Friends of Islais Creek. The City Attorney and staff recommend that the Permit to Enter the property to be issued by the Port for the above described access improvements should require that the permittees provide to the Port the necessary insurance and indemnification.

Once all parties have signed the Conservancy agreement, and it is recorded in the County Recorder's office, the project should take approximately 12 months to design, permit (both Port and BCDC) and construct. The City's Environmental Review Officer has reviewed the project and certified a "negative declaration" on the project (No. 92.099E) under the California Environmental Quality Control Act. The Port Commission reviewed and accepted the "negative declaration" under Resolution No. 94-24.

Prepared by Sharon Lee Polledri

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-143

WHEREAS, the State of California Coastal Conservancy, the San Francisco Conservation Corps and the Friends of Islais Creek wish to install public access improvements along Islais Creek, within Port jurisdiction; and

WHEREAS, the State of California Coastal Conservancy has made a $100,000 grant available to the Port of San Francisco, the San Francisco Conservation Corps and the Friends of Islais Creek for the public access improvements; and

WHEREAS, the Friends of Islais Creek have agreed to maintain any improvements made on the Islais Creek site, and/or will notify the Port if it is unable to fulfill its obligations under Resolution 94-24; now, therefore, be it

RESOLVED, that the Port Commission does hereby authorize the Executive Director to execute all necessary agreements and permits to implement the public access improvement project along Islais Creek; and be it further

RESOLVED, that all permittees on the Right to Enter permit are required to provide all necessary insurance and indemnify the Port for all liability claims.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of October 25, 1994.

_____

Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

October 18, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of a Temporary Public Art Installation at the Ferry Building, "Navigational Crossroads," by Artist Connie Hatch, as part of the Capp Street's "Art In the Urban Landscape Projects"

DIRECTOR'S RECOMMENDATION: APPROVE TEMPORARY INSTALLATION OF PUBLIC ART AT THE FERRY BUILDING

At the last Port Commission meeting, the Commission instructed staff to contact the Capp Street project managers and Ms. Connie Hatch to secure two modifications to the proposed public art installation on the Ferry Building.

The two modifications are:

1. Delete the words "infamous" and "outlaw" from the description of the project, with an understanding from Capp Street that the photos used will be subject to the approval of the Executive Director prior to installation.

2. Amend the Commission resolution to indicate that the Capp Street Project will be responsible for the cost of removing the project and will guarantee the necessary funds, as part of the Right to Enter permit. The installation will either be removed or approved for additional time by the Commission, at the end of the two years.

Port staff has spoken with both Capp Street and the artist and both agree to the above conditions for installation. An amended resolution is attached for adoption.

Prepared by Sharon Lee Polledri

THIS PRINT COVERS CALENDAR ITEM NO. 7B

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-138

WHEREAS, the Capp Street Project has received a grant from the Gerbode Foundation for the installation of public art throughout the City of San Francisco; and

WHEREAS, the Capp Street Project has selected Ms. Connie Hatch to install a series of photo montages at three different transportation centers throughout the City; and

WHEREAS, Ms. Hatch has selected the entrance to the Ferry Building as one of the three sites for an art installation entitled "Navigational Crossroads," now, therefore be it

RESOLVED, that the Port Commission does hereby authorize the Executive Director of the Port to allow Ms. Hatch and the Capp Street Project to install a photographic montage around the entrance to the Ferry Building; and be it further

RESOLVED, that the Capp Street Project agrees to provide sufficient funds to remove the artwork at the end of the two year installation period.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of October 25, 1994.

_____

Secretary

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

October 19, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Construction Contract No. 2603, Approving a Declaration of Emergency for the Ferry Building Roof Deck Surfacing Repair

DIRECTOR'S RECOMMENDATION: DIRECTOR RECOMMENDS THAT THE COMMISSION APPROVE THE DECLARATION OF AN EMERGENCY TO ALLOW A CONTRACTOR TO REPAIR THE FERRY BUILDING ROOF DECK SURFACING

The third floor deck of the Ferry Building directly over the offices of the Port tenant Limbach & Limbach is in need of repair. During the most recent rain of the week of September 18, 1994, rain water leaked through the roof deck into Limbach's offices below. Emergency repairs are necessary to prevent further damage to the tenant's offices and disruption of its business. The Port maintenance staff cannot perform the work because the repair work involves a special product application. The engineering staff recommends that a new weatherproofing system be installed immediately by emergency contract to safeguard the property of the Port and its tenants and to maintain the public health and welfare.

Funds for the emergency contract, estimated to cost approximately $35,000, are available in the Port's Operating Budget.

Prepared by: Cliff Jarrard

THIS PRINT COVERS CALENDAR ITEM NO. 9A

agd-2603.cj

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-141**

WHEREAS, the third floor deck of the Ferry Building directly over the office of the Port tenant Limbach & Limbach, is in need of repair; and

WHEREAS, during the most recent rain of the week of September 18, 1994, the rain water leaked into Limbach's offices below; and

WHEREAS, repairs are needed immediately to prevent further damage to the tenant's offices and disruption of its business; and

WHEREAS, the Port maintenance staff cannot perform the repair work because it involves a special product application; and

WHEREAS, Port engineering staff recommends that a new weatherproofing system be installed immediately by emergency contract to safeguard property of the Port and its tenants and to maintain the public health and welfare; and

WHEREAS, contractors will be invited to submit bid proposals on an emergency basis in accordance with Section 6.30 of the San Francisco Administrative Code, therefore be it

RESOLVED, that the Commission ratify the action of the President of the Commission contained in the letter to the Controller dated September 27, 1994 and authorize the Executive Director to accept and approve the work after completion.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 25, 1994.

_____
Secretary

agd-2603.cj

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SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

MINUTES OF THE MEETING
OCTOBER 25, 1994

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1. **ROLL CALL**

The meeting was called to order by President Preston Cook at 4:05 p.m. The following Commissioners were present: Preston Cook, Frank O'Neill, Frankie Lee and Michael Hardeman. Commissioner Anne Halsted arrived at 4:08 p.m.

2. **APPROVAL OF MINUTES** - October 11, 1994 Minutes

Commissioner Cook stated that on page 7 of the October 11 minutes should have reflected the distinction between "excused" and "absent". A Commissioner is "excused" if he/she has a valid reason for not attending the meeting and "absent" if there was no telephone call made or legitimate excuse for the absence.

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; minutes of the October 11, 1994 meeting, with the proposed amendment, were adopted.

3. **EXECUTIVE**

Mr. Bouey stated that he had no items to report other than those that will be discussed in the Executive Session.

4. **SPECIAL ITEM**

5. **TENANT & MARITIME SERVICES**

A. Approval of Lease with Bundox, Inc. (dba Waterfront Restaurant) at Pier 7½ (Resolution No. 94-133) (This item is continued from the October 11, 1994 meeting)

Mr. Bouey offered a clarification of his comments of the previous meeting which he stated that the lease provided for a boat dock. He noted that while the lease allows Waterfront Restaurant to construct a boat dock, it is, however, optional. Everything else in the agenda package remains the same as presented at the last meeting.

Mr. Mike Wilmar thanked staff for their hard work on the lease. Commissioner Cook commented that the Commission looks forward to the lease.

ACTION: Commissioner Hardeman moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

6. **FACILITIES & OPERATIONS**

7. **PLANNING & DEVELOPMENT**

A. Authorizing the Executive Director to Execute an Agreement with the State of California Coastal Conservancy, the San Francisco Conservation Corps and the Friends of Islais Creek to Install Public Access Improvements Along Islais Creek (Resolution No. 94-143)

Mr. Bouey stated that the issue of Islais Creek project has been before the Commission twice previously. The last time this issue was before the Commission, staff requested and the Commission approved the concept for public access improvements at this site. Staff now requests from the Coastal Conservancy agency, as well as labor from Conservation Corps, to design and actually construct those public access improvements; such as signs, kiosks, walkways, benches, landscaping and security lighting. The Commission was provided a map depicting the actual site and a schematic of what the area would look like after construction.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

B. Approval of Temporary Public Art Installation at the Ferry Building, "Navigational Crossroads," by Artist Connie Hatch, as part of the Capp Street's Art in the Urban Landscape Projects. (Resolution No. 94-138)

Mr. Bouey stated that as the Commission is aware, this item was before the Commission at its previous meeting. At that time, two issues were discussed: (1) that some of the potential portraits to be depicted were described as being "infamous" or "outlaws" and (2) whether there should be some sort of financial guarantee to remove the project at its termination. The Commission directed Sharon Polledri, Director of Planning & Development, to consult with the artist. The artist has agreed to delete the words "infamous" and "outlaws" and has also agreed to guarantee the necessary funds for the removal of the project.

Commissioner Halsted commented that she did not support the modification at the last meeting. She hopes that the Commission does not use its power to remove Gandhi from the plaza because he broke the law. She further noted that there may be other reasons to do so but pointed out that the Commission should acknowledge that there are historical figures who have done things that were not legal during their times but may be legal now. Commissioner Cook stated that the Commission has to be cautious and careful on what the Commission is willing to accept. He stated that it was a cautious stance by the Commission to make the amendment. The distinction he sought to make is the difference between an ax murderer and someone who might be arrested for a social or political cause. He was glad that the Commission and staff made the amendment.

Commissioner O'Neill mentioned that the resolution states that the artwork will be installed at the entrance to the Ferry Building. It was his understanding that the artwork would be installed in front of Limbach and Limbach offices. Ms. Van Nostern commented that the entrance to the Ferry Building fronting Limbach and Limbach is, in fact, known as the entrance to the Ferry Building.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

8. **ADMINISTRATION**

9. **CONSENT CALENDAR**

A. Construction Contract No. 2603, Approving a Declaration of Emergency for the Ferry Building Third Floor Deck Repair at an approximate cost of $35,000 (Resolution No. 94-142)

ACTION: Commissioner O'Neill moved approval; Commissioner Hardeman seconded the motion. All Commissioners in favor; the resolution was adopted.

10. **NEW BUSINESS**

Commissioner Hardeman thanked the Executive Director and Gerry Roybal for arranging a tour of the Port facilities as well as the presentation given by the Executive Director and his Senior Staff.

11. **EXECUTIVE SESSION**

At 4:15 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matters:

A. Public Employee Appointment

1) Confirmation of Appointment of Director of Facilities Operations & Maintenance

The City Attorney has advised that an executive session of this matter is specifically authorized under California Government Code Section 54957.

B. Conference with Legal Counsel - Anticipated Litigation

1) Motion that Port Commission meet in closed session to confer with Counsel to consider initiation of litigation pursuant to subdivision (c) of California Government Code Section 54956.9 (2 cases).

C. Conference with Legal Counsel - Existing Litigation

1) Peters vs. CCSF, Superior Court No. 963-495

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, subdivisions (a) & (c).

D. Conference with Real Property Negotiator

Property: Port property located at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
Person Negotiating:
Port of San Francisco Representative: James Lazarus, Director Special Projects

Port of Oakland Representative: Leo Brien, Director of Maritime

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland, regarding Piers 94-96. This is specifically authorized under California Government Code Section 54956.8

E. Conference with Real Property Negotiator

Property: Port property located at Seawall Lots 348 and 347S, Eastside of Steuart Street between Folsom and North of Howard Streets (known as Rincon Point Park)
Person Negotiating:
Port of San Francisco Representative: Dennis Bouey, Executive Director
San Francisco Redevelopment Agency Representative: Clifford Graves, Director

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the San Francisco Redevelopment Agency regarding Rincon Point Park. This is specifically authorized under California Government Code Section 54956.8

F. VOTE in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

ACTION: Commissioners Cook, Halsted, O'Neill, Lee and Hardeman returned from executive session and convened in public session at 5:50 p.m. Commissioner Halsted moved approval to not disclose any information discussed on the executive session. Commissioner O'Neill seconded the motion. All Commissioners in favor.

Meeting was adjourned at 5:55 p.m.

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Agenda

NOTICE OF CANCELLATION

THE REGULAR PORT COMMISSION MEETING SCHEDULED FOR
TUESDAY, NOVEMBER 15, 1994 AT 4:00 P.M.
IS HEREBY CANCELLED

A SPECIAL PORT COMMISSION MEETING
IS SCHEDULED FOR

MONDAY, NOVEMBER 21, 1994 AT 3:00 P.M.

SAN FRANCISCO PORT COMMISSION

FERRY BUILDING, SUITE 3100
SAN FRANCISCO, CA 94111

SF
155
#1
11/21/94

SAN FRANCISCO PORT COMMISSION

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SPECIAL MEETING
►►► 3:00 P.M., MONDAY, NOVEMBER 21, 1994 ◄◄◄
►►► ROOM 2026 FERRY BUILDING ◄◄◄
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - October 25, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

   B. Approval of Joseph Houghteling's plaque in honor of his many years of dedicated public service (Resolution No. 94-121)

4. **SPECIAL ITEM**

   A. Public Hearing on *Revised Draft Waterfront Land Use Plan ("Revised Draft Plan")* with Proposed Port Commission Revisions, dated November 4, 1994.

5. **TENANT & MARITIME SERVICES**

   A. Approval of Assignment and Amendment of Leases for United Shellfish Company at Fisherman's Wharf and Approval of Sub-lease. (Resolution No. 94-132)

6. **FACILITIES & OPERATIONS**

   A. Professional Services Contract No. SA 3930045 "Pier ½ North Ferry Terminal Upgrade Phase II," with ROMA Design Group. Approval of First Amendment, authorizing design work for the Ferry Building breakwater and the relocation of the Boiler Room/Utility Area, not to exceed $400,000 in design fees. (Res. No. 94-134)

7. **PLANNING & DEVELOPMENT**

8. **ADMINISTRATION**

9. **CONSENT CALENDAR**

   A. Professional Services Contract No. SA 3920019, with Galson Environmental. Approval to execute a segment of Phase III of their original contract, including preparing contract documents for the asbestos abatement of the Boiler Room and Utility Area located on the east deck adjacent to the Ferry Building. (Resolution No. 94-142)

10. **NEW BUSINESS**

11. EXECUTIVE SESSION

A. An executive session has been calendared for the Port Commission to discuss the status of the following litigation cases:

Kirp v. CCSF, Superior Court No. 944-722
Kraal v. CCSF, Superior Court No. 943-927

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, Subdivision (a).

B. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
Person Negotiating:
Port of San Francisco Representative: James Lazarus, Director Special Projects
Port of Oakland Representative: Leo Brien, Director of Maritime

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland regarding Piers 94-96. This is specifically authorized under California Government Code Section 54956.8

C. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lots 348 and 347S, Eastside of Steuart Street between Folsom and North of Howard Streets (known as Rincon Point Park)
Person Negotiating:
Port of San Francisco Representative: Dennis Bouey, Executive Director
San Francisco Redevelopment Agency Representative: Clifford Graves, Director

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the San Francisco Redevelopment Agency regarding Rincon Point Park. This is specifically authorized under California Government Code Section 54956.8

D. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation regarding Cogeneration Plant. This is specifically authorized under California Government Code Section 54956.8.

E. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. ADJOURNMENT

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero Station located at Market and Steuart Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American Sign Language Interpreters
- A Sound Enhancement System
- Large Print of the Agenda
- The use of a reader during the meeting
- Minutes of the Meeting in Alternative Formats

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

PORT OF SAN FRANCISCO

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Cable SFPORTCOMM
Writer

MEMORANDUM

November 15, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Joseph Houghteling's plaque in honor of his many years of dedicated public service

DIRECTOR'S RECOMMENDATION: APPROVE ATTACHED RESOLUTION

Mr. Joseph Houghteling has spent most of his life in public service, with particular emphasis on regional government, transportation, and the balance between conservation and development. He has served with distinction in various agencies and commissions.

While serving on the Metropolitan Transportation Commission and San Francisco Bay Conservation and Development Commission, he noticed that the only way to reach the San Francisco Ferry Building ferry terminal from Market Street was a circuitous route around the Ferry Building. At his suggestion, a passageway was built through the Ferry Building to permit direct access to the ferry terminal.

As a result of his effort and insight, life became a little more pleasant for hundreds and hundreds of San Francisco Bay commuters and visitors to the Bay Area and the City of San Francisco. This kind of common-sense approach to the useful functioning of government, dispensed with grace and good humor, has been Mr. Houghteling's trademark throughout his many years of public service. Therefore, staff asks for Commission's approval that a plaque be placed at the entrance of the passageway through the Ferry Building, recognizing Mr. Houghteling's contributions to the Bay Area and the City of San Francisco, and, in particular, to the creation of the passageway.

Prepared by: Dennis P. Bouey

THIS PRINT COVERS CALENDAR ITEM NO. 3B

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. **94-121**

WHEREAS, Joseph C. Houghteling has spent most of his life in public service, with particular emphasis on regional government, transportation, and the balance between conservation and development; and

WHEREAS, he has served with distinction as a member of:

A. the Tahoe Regional Planning Agency from 1984 to 1992;
B. the San Francisco Bay Conservation and Development Commission (BCDC) from 1971 to 1982, the last seven years as chair of the Commission;
C. the Metropolitan Transportation Commission (MTC) from 1972 to 1982 as the representative of BCDC;
D. the California Highway Commission from 1964 to 1966;
E. the California State Park Commission from 1959 to 1963, the last 18 months as Chairman; and

WHEREAS, while serving on MTC and BCDC, he noticed that the only way to reach the San Francisco Ferry Building ferry terminal from Market Street was a circuitous route around the Ferry Building; and

WHEREAS, at his suggestion, a passageway was built through the Ferry Building to permit direct access to the ferry terminal; and

WHEREAS, as a result of his effort and insight, life became a little more pleasant for hundreds and hundreds of San Francisco Bay commuters and visitors to the Bay Area and the City of San Francisco; and

WHEREAS, this kind of common-sense approach to the useful functioning of government, dispensed with grace and good humor, has been Joseph C. Houghteling's trademark throughout his many years of public service; and

WHEREAS, his family, friends, supporters and colleagues think he should be appropriately honored on the occasion of his 70th birthday on December 7, 1994, for a lifetime work for the public good; and, now, therefore, be it

RESOLVED, that a plaque shall be placed at the entrance of the passageway through the Ferry Building recognizing Joseph C. Houghteling's contributions to the Bay Area and the City of San Francisco, and in particular, to the creation of that passageway; and, therefore, be it further

RESOLVED, that the text of that plaque shall read as shown on Exhibit A attached hereto and made a part hereof.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of November 21, 1994.

_____
Secretary

JOSEPH CANNON HOUGHTELING

MEMBER, METROPOLITAN TRANSPORTATION COMMISSION

MEMBER, BAY CONSERVATION AND DEVELOPMENT COMMISSION

CAUSED THIS PASSAGEWAY TO BE BUILT

TO SAVE STEPS FOR FERRY PASSENGERS

DEDICATED: December 7, 1994

IN RECOGNITION OF HIS MANY YEARS OF PUBLIC SERVICE

EXHIBIT "A"

PORT OF SAN FRANCISCO

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MEMORANDUM

November 15, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Public Hearing on proposed revisions to *Draft Waterfront Land Use Plan,* dated November 4, 1994 ("*Revised Draft Plan*")

DIRECTOR'S RECOMMENDATION: Public Hearing; NO ACTION REQUIRED

I. Background and Status of *Waterfront Land Use Plan*

In November 1990, the voters of San Francisco approved Proposition H, which banned hotel development on piers and within 100 feet of the shoreline, mandated the preparation of a waterfront land use plan for this same property and established a moratorium on new non-maritime development on piers and within 100 feet of the shoreline until the plan is complete. To ensure a comprehensive planning process, the Port Commission extended the scope of the plan to include all Port properties and created the 27 member Waterfront Plan Advisory Board ("Advisory Board"). The Advisory Board members were appointed based on recommendations by the Board of Supervisors and the Mayor, as well as through a general solicitation of interested citizens, maritime industry representatives, Port tenants, labor unions, neighborhood organizations, architects, planners and other professionals.

THIS PRINT COVERS CALENDAR ITEM NO. 4A

The Advisory Board held public meetings twice monthly for three years during which time it conducted an intensive analysis of all issues related to land use policy for the Port. The full Advisory Board held 75 public meetings, in addition to numerous meetings of the Advisory Board's Financial and Implementation Subcommittees and public workshops and sessions with neighborhood and other community groups. Throughout this effort, hundreds of citizens and interested parties have appeared before the Advisory Board or attended sessions regarding the Waterfront Land Use Plan.

On July 26th, 1994, the Advisory Board presented its recommended Draft Waterfront Land Use Plan ("June 20th Draft") to the Port Commission and provided a detailed summary of its contents. From August through October, Port staff comprehensively reviewed the Advisory Board's recommendations to determine whether they are consistent with the Port's needs and mandated responsibilities. During that period, Port staff also invited comments from the Planning Commission and provided an informational presentation to the Planning Commission on September 1st, 1994.

On November 4th 1994, Port staff published the *Revised Draft Plan* for review by the Public and the Port Commission. The *Revised Draft Plan*, while confirming all the Plan goals recommended by the Advisory Board, includes specific proposals for revisions to ensure that the Plan's long range policies allow the Port to meet its near-term operational and financial responsibilities. In the *Revised Draft Plan*, proposed changes to the June 20th Draft are highlighted. The most noteworthy of these proposed changes are summarized below.

II. Summary of Key Proposed Changes in the *Revised Draft Plan*

1. New Provision for Urban Design (including Historic Preservation) Guidelines

In light of the many references in the June 20th Draft to the important goal of achieving quality design and historic preservation on the waterfront, the *Revised Draft Plan* includes new provisions that would require the Port to develop a comprehensive set of urban design guidelines to ensure sensitive and quality waterfront development. These design guidelines would include policies and preservation guidelines for significant historic resources that should be protected as the Waterfront Land Use Plan is implemented.

2. Affirmative Action

Throughout the June 20th Draft there also were many references to the important goal of

achieving affirmative action during implementation of the Waterfront Plan. Some members of the Advisory Board intended but were not able to submit additional affirmative action language for consideration in the *Revised Draft Plan*. Instead, staff has proposed adding language calling for new jobs and encouraging ethnic and gender diversity in Port business opportunities in the "Revitalized Port" goal in Chapter 2, and consistent revisions to more specific goals and policies throughout the document. In addition, I have already met with representatives from the Lawyer's Committee for Civil Rights of the San Francisco Bay Area and the Coalition for Economic Equity and together we have taken the first steps to develop a program to ensure greater diversity in Port business opportunities.

3. Flexibility for Maritime Uses

The proposed revisions include a new paragraph in Chapter 3 (page III-5) emphasizing the Port's authority to site maritime activities anywhere on Port property to fully meet its public trust responsibilities and to respond to ever-changing maritime industry needs. Although the Acceptable Land Use Tables in Chapter 4 identify maritime activities that are best-suited for specific sites, these sites also may be used for any other maritime use the Port Commission deems necessary or appropriate.

4. Specific User Groups

In several places in the June 20th Draft, references were made to orienting certain new businesses or activities to maritime tenants or other specific user groups. For example, Chapter 3, page III-7 stated that retail convenience sales and restaurants and food sales should meet the needs of maritime employees and businesses. Proposed revisions in the *Revised Draft Plan* broaden these types of statements to avoid any misunderstandings by readers of the *Revised Draft Plan*. For example, Chapter 3, page III-7 has been revised to state that retail convenience sales and restaurants and food sales should meet the needs of nearby employees and businesses, including Port tenants. In a similar vein, proposed revisions provide further explanation regarding the types of new maritime clubs that could be allowed on the waterfront. While recognizing that clubs may need to charge for services in order to fund their operations, the proposed revisions clarify that new clubs where members must be voted in are not allowed on the waterfront. (See Chapter 3, page III-8)

5. Pierside Hotels

Consistent with the recommendation from the Advisory Board and Proposition H, the *Revised Draft Plan* disallows hotels on piers or within 100 feet of the shoreline. However, north of China Basin, hotels are acceptable land use options for a number of inland "seawall lots" south and west of the Embarcadero, most of which already were identified as possible hotel sites by the Advisory Board.

6. New or Already Developed Port Property

Since the Advisory Board's planning process did not focus on the land use options for newly acquired Port property, or existing Port property that already is developed, the *Revised Draft Plan* includes proposed new language that a) allows newly acquired property to be considered for mixed use development (Chapter 3, page III-17); and b) identifies a number of land use options for existing Port-owned, developed seawall lots south or west of the Embarcadero, between Powell and Vallejo streets, that may be considered to increase revenues and/or complement uses developed on adjacent Port sites (Chapter 3, page III-18).

7. Fair Market Return

Policies in Chapter 3 of the June 20th Draft called for ensuring fair market returns for residential and commercial land uses. Often, however, there is an inherent conflict between achieving fair market return and maximizing other public benefits that may be required of a developer or lessee, such as seismic improvements that increase the useful life of Port facilities, new public access and open space, required subsidies for maritime operations, etc. To ensure that the Port Commission has the flexibility to negotiate the best package of public benefits, including return to the Port, the *Revised Draft Plan* includes minor revisions that call for "seeking" fair market returns.

8. New General Policies for Transportation Services and Community Facilities.

Originally, general policies for these land uses were not necessary because they were expected to occur only on one site and therefore were addressed in site-specific development standards in Chapter 4. These uses now have been proposed for additional sites (See Acceptable Land Use Tables in Chapter 4) and, therefore, general policies have been added in Chapter 3.

9. Long-Term Interim Uses North of China Basin

In general, the *Revised Draft Plan* reflects the interim use policies recommended by the Advisory Board. However, in light of the deteriorating state of many of the piers in the northern half of the waterfront, proposed revisions in the *Revised Draft Plan* would allow longer terms for interim uses, but only in exceptional cases (Chapter III-24, 26) Any such uses would be subject to the new project review process proposed in Chapter 5 of the *Revised Draft Plan*, which incorporates early and frequent opportunities for public review and comment. Longer-term projects may provide more significant public benefits (e.g. public access and landscaping) that may justify the longer term use. Shorter-term interim uses are less able to afford such public improvements.

10. Consideration of a Ballpark

Proposed revisions would allow future consideration of a ballpark, in whole or in part, on Port property in the China Basin area (Pier 46B, Seawall lots 335 and 336, see Chapter 4, pp. IV-56). In light of a recently presented conceptual proposal for a mixed use sports and/or entertainment complex in the Mission Bay area, which could include a ballpark on Port property, this proposed revision would provide an opportunity to study the merits of this project before determining whether to allow a ballpark on Port property.

Past proposals to develop a ballpark in the City have engendered great public interest and debate across a broad spectrum of San Francisco's population, with the most recent ballot measure on a ballpark being narrowly defeated in November 1989. As a result, the Staff believes that the decision on whether to allow a ballpark, or any portion thereof, on Port property in China Basin should take place after the sports and/or entertainment complex proposal is better defined, which would provide affected regulatory agencies with the opportunity to review the project. Furthermore, the proposed revisions in the *Revised Draft Plan* explicitly state that, if a concept containing a ballpark was proposed that was acceptable to the Port Commission and other City and State Boards and Commissions with jurisdiction over a ballpark on Port land, then San Francisco voters should have the ultimate authority to approve or disapprove such a proposal, by vote at an election.

11. Additional Acceptable Land Uses

The *Revised Draft Plan* includes additional land use options for specific Port sites (see Acceptable Land Use Tables in Chapter 4). The vast majority of these additional acceptable land uses reflect existing tenants, allow new maritime or public-oriented activities (e.g. open space, public access, museums), or provide potential alternate uses for already developed Port properties.

12. Introduction to Chapter 4, New Definitions in Appendix C.

The *Revised Draft Plan* includes an introduction explaining the contents of Chapter 4 and the philosophy behind the creation of mixed use opportunity areas in the Waterfront Plan. Similarly, there are many new definitions in Appendix C - Glossary of Terms, to help readers and users of the Waterfront Plan understand the complexities of Port land use planning and operations.

13. References to Small or Large

In several places in the June 20th Draft, references were made to permitted "small" or "large" open spaces or other uses (e.g. Fisherman's Wharf, page IV-13 says to "allow a small open space at the southern end of Pier 45"). These terms have been replaced by terms such as "appropriately sized" or "consistent with existing height and bulk limitations for the site" so that particular proposals can be weighed on their merits as they occur.

14. Southern Waterfront

Proposed revisions for the Southern Waterfront identify two areas that would not be reserved exclusively for maritime-related purposes, and thus could be developed with non-maritime uses. These revisions reflect cargo industry trends and factors regarding the Bay Area regional capacity for meeting future shipping terminal needs, which indicate that the amount of land needed by the Port of San Francisco to fully meet projected cargo shipping demand is less than the amount currently in use or reserved for maritime purposes. This conclusion has been corroborated by independent analysis conducted by BCDC and MTC for the *Bay Area Regional Seaport Plan*.

The two sites in the Southern Waterfront that are proposed to be available for either maritime or non-maritime uses, rather than being reserved exclusively for future cargo-related facilities, are: Seawall Lot 354, a 1.7 acre non-contiguous parcel on the north side of Islais Creek (for which residential use was recommended as one development option by the Waterfront Plan Advisory Board); and the approximately 30 acre former Western Pacific property adjacent to Pier 80. The removal of these sites from the maritime reserve would still leave 62 acres of undeveloped land adjacent to the Port's underutilized South Container Terminal and intermodal container transfer facility for cargo warehousing and other cargo support functions, in addition to the 157 acres of land area to the north, between China Basin and Islais Creek, which already are developed or available for industrial maritime operations.

Also, proposed revisions modify the use guidelines for the former "Cogeneration Opportunity Site", identified in the June 20th Draft. Since that time, the cogeneration power plant, which had been proposed for that site, has become a less viable option for the property. As a result, proposed revisions include renaming the site the "Cargo Way Mixed Use Opportunity Area," and more general guidelines that reflect the broader range of land uses that could be developed (Southern Waterfront pages IV-62-65, 71-72).

III. Next Steps

Port Commission Endorsement of the *Revised Draft Plan*. The Port Commission now has the opportunity to fully review the *Revised Draft Plan* and determine whether it should be modified in any way before environmental review of the *Revised Draft Plan* begins. The Port Commission has the authority to endorse the *Revised Draft Plan* as recommended, or with modifications. Once the Port Commission has endorsed the *Revised Draft Plan,* a graphics consultant, hired by the Port, will help the Port publish the document in a graphically finished form, with new and improved maps, illustrations and other graphics to enhance public understanding of the *Revised Draft Plan.* Further, non-substantive editorial corrections also may be made.

Environmental Review and Adoption of the *Draft Plan*. The Port Commission cannot adopt a final Waterfront Land Use Plan until after the Environmental Impact Report (EIR) is completed for the project. The EIR is expected to be completed in spring of 1996. While the EIR is under preparation, Port Staff will work very closely with the staffs of the Planning Department of the City and County of San Francisco and the Bay Area Conservation and Development Commission (BCDC) to prepare proposed revisions to relevant planning documents to ensure consistency with other plans. After the EIR is certified, the Port Commission can adopt the *Waterfront Land Use Plan* and forward: 1) conforming amendments to the City's *Master Plan* and City Planning Code for review and action by the Planning Commission and 2) conforming amendments to the Bay Conservation and Development Commission's plans and policies, for review and action by BCDC.

Prepared by: Sharon Lee Polledri

SLP/fj/I:AGD11/21

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
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Writer

November 3, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Assignment and Amendment of Leases for United Shellfish Company at Fisherman's Wharf and Approval of Sublease

DIRECTOR'S RECOMMENDATION: APPROVE ASSIGNMENT AND AMENDMENT OF LEASES FOR UNITED SHELLFISH COMPANY AND APPROVAL OF SUBLEASE

BACKGROUND

United Shellfish Company occupies the premises at Fisherman's Wharf demised in the following three leases: L-9170, L-9174, and L-9175 ("Leases"). These premises are shown on the attached Exhibit 1.

The original Tenant of the Leases was Joseph Svedise, who operated United Shellfish Company at Fisherman's Wharf from the 1940s until he passed away in 1993. Since then, his widow, Carola Svedise, has been the Tenant, and United Shellfish Company has been operated by her nephew, Michael Svedise. United Shellfish Company has recently encountered some financial difficulties, and as of October 31, 1994, owed the Port $34,212.43 under the Leases.

The terms of the Leases all commenced on April 1, 1975 and will expire on April 30, 2036. The size of the premises and the current monthly rents are shown in the table on the next page.

THIS PRINT COVERS CALENDAR ITEM NO. 5A

Lease No.	Size of Premises (Sq. ft.)	Current Monthly Rent
L-9170	339	$ 143.48
L-9175	4,466	1,080.31
Sub-total	4,805	$1,223.79
L-9174	2,310	955.70
Total	7,115	$2,179.49

The uses permitted by the Leases consist of "wholesale fish processing, fish storage, marine food preparations and such other uses as are reasonably related thereto". Lease No. L-9175 also provides that use of the Premises "shall not include any retail sales nor sales to any persons or entities who are not engaged in the retail sale of fish and marine food, who do not intend to transact retail sales of such items nor who intend to consume such items".

PROPOSED TRANSACTION

The proposed transaction involves three components: (1) assignment of the Leases; (2) amendment of the Leases; and (3) subleasing the premises demised in two of the Leases.

1. Assignment of Leases

The Leases will be assigned from Carola Svedise ("Assignor") to Scoma's Restaurant, Inc. ("Assignee"). The Effective Date of the assignment will be the first day of the month immediately following the month in which the transaction is approved by the San Francisco Port Commission and the Board of Supervisors, and the Assignment is fully executed by the parties. As of the Effective Date, the Assignor will be released from all obligations under the Leases. The consideration which will be paid to the Assignor by the Assignee will consist of $16,000, plus payment of all outstanding charges due the Port under the Leases through July 31, 1994, which totaled $26,336.60. (The balance due the Port will be paid by the Assignor prior to the Effective Date of this transaction).

2. Amendment of Leases

The Leases will be amended to include the assignment and subletting provisions of the current Port Standard Lease and to include City requirements involving Non-

Discrimination, MacBride Principles-Northern Ireland, and Tropical Hardwood Ban. In addition, the permitted use provisions of Lease No. L-9175 will be amended to include the following language:

> "The Premises may also be used for a bait and tackle retail business; charter boat booking office and/or related office uses; and/or services supporting commercial and sport fishing boats, and their owners, employees, and customers (for example, laundry, restroom, and shower facilities) (collectively "Fishing Support Uses"). Fishing Support Uses shall be limited to the areas designated by cross hatches on Exhibit 1 attached hereto."

It is the intent of the Assignee and the Sublessee to renovate the area designated for Fishing Support Uses in order to offer much needed services to the fishing fleet at Fisherman's Wharf.

3. Sublease

The Assignee will sublease the premises demised in Lease Nos. L-9170 and L-9175 to Michael Svedise ("Sublessee"), who will continue to operate the United Shellfish Company on these Sublease Premises, as well as operate the Fishing Support Uses in conjunction with the Assignee. The term of the sublease will be five years, with three more options to extend the term by an additional five years each. The initial base rent for the Sublease Premises will be $1,223.79 per month (which is identical to the amount paid by the Assignee to the Port for the Sublessee Premises, with the same future adjustments in the base rent as required by the Leases with the Port. The Sublessee will also pay fixed additional rent of $352.69 per month for five years, constituting amortization at 8% interest of $17,394.30, which represents a portion of the amount paid by the Assignee toward the balance owed the Port by the Assignor. The Sublessee will also be responsible for all other rent, charges, utilities and wharfage relating to the Sublease Premises, and the Sublessee will be responsible for maintenance and repairs to the Sublease Premises.

The first two components of this transaction will be documented in an Assignment and Amendment of Leases agreement, and the third component will be documented in a separate Sublease Agreement. Both of these documents have been approved as to form by the City Attorney.

Prepared by: Frederick White, Director
Tenant and Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-132

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section 3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for the assignment of Leases L-9170, L-9174 and L-9175 and for an amendment of said Leases, as set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on November 15, 1994; and

WHEREAS, Port Commission approval is being sought for the subleasing of the premises demised in Leases L-9170 and L-9175, as set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on November 15, 1994; now therefore, be it

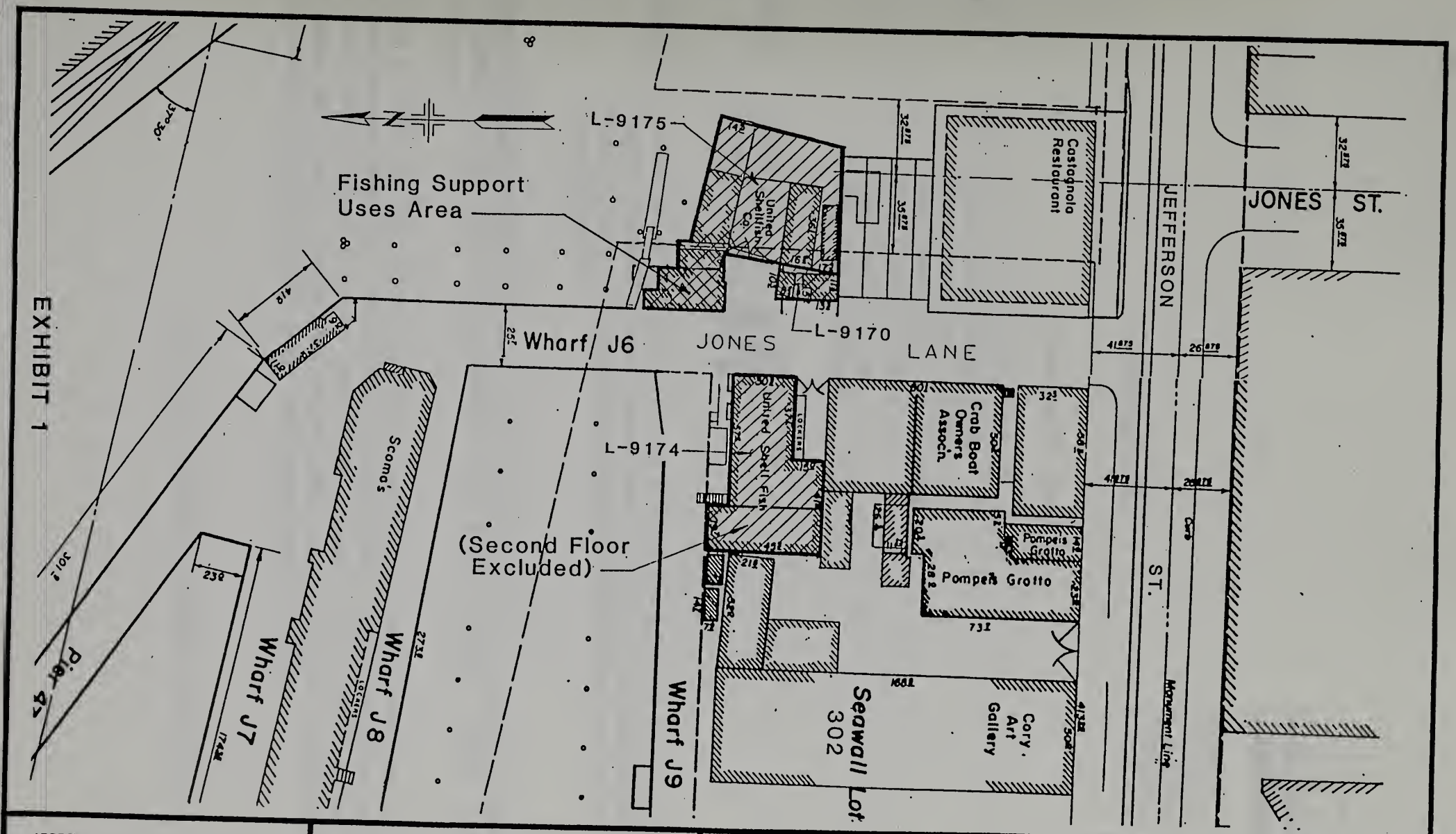
RESOLVED, that the Port Commission hereby approves the Assignment and Amendment of Leases, the business terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on November 15, 1994, and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port and forward said Assignment and Amendment of Leases to the San Francisco Board of Supervisors for approval by ordinance pursuant to City Charter Section 7.402-1; and be it further

RESOLVED, that the Port Commission hereby consents to the sublease of the premises demised in Leases L-9170 and L-9175, the business terms of which are set forth in the Memorandum of Agenda Item 5A for the Port Commission Meeting on November 15, 1994.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 15, 1994

_____
Secretary

I:\tenants\agendas\united.mem\KB\jef\November 3, 1994



APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

_____
CHIEF HARBOR ENGINEER

SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

UNITED SHELLFISH/SCOMA'S LEASES

DESIGNED BY:	CHECKED BY:
DRAWN BY: R.C.	DATE: 11-1-94
CONTRACT NO.	SCALE: 1" = 40
DRAWING NO. 1470	SHEET NO. OF SHEETS

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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Cable SFPORTCOMM
Writer

MEMORANDUM

November 15, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Professional Services Contract No. SA 3930045 "Pier 1/2 North Ferry Terminal Upgrade, Phase II", Roma Design Group, approval of First Amendment to authorize design work for the new Breakwater and the relocation of the Boiler Room/Utility Area.

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION AUTHORIZE STAFF TO APPROVE THE FIRST AMENDMENT WITH ROMA DESIGN GROUP, FOR $384,763.00.

On June 22, 1994, the Commission recommended that staff proceed with development of the preferred alternate for the Pier 1/2 North Ferry Terminal Upgrade, Phase II Project now called the Downtown Ferry Terminal Project. With the help of Roma Design Group, Port Staff is proceeding with the work. Outside funds were available to pay for Port Staff's design cost of approximately $175,000 and Roma's design cost of approximately $593,000.

THIS PRINT COVERS CALENDAR ITEM NO. 6A

With the inclusion of the breakwater, a new element of work was introduced for which Port Staff does not have the resources to design. Also, a portion of the original Pier 1/2 structure was eliminated, reducing the scope of design to be performed by Port Staff.

In conjunction with both the Ferry Building Renovation Project and the Downtown Ferry Terminal Project, the Boiler Room/Utility Area must be relocated to provide access through the Ferry Building.

Staff recommends that the additional design work for the Breakwater & Boiler Room/Utility Area be included in Roma's contract because their familiarity with the specifics of this work will enhance the design efficiency of the overall project.

Staff recommends a contract modification to SA 3930045 for design of the Breakwater for $158,500.00, and design of the Boiler room/Utility Area for $226,263.00, with ROMA Design Group. For these additional designs, Roma Design Group will exceed the 22% DBE requirement that applies to the original contract.

The source of funds is itemized below:

Breakwater	
1064 Grant from Federal Highway Administration	$226,263.00
Boiler Room/Utility Area	
Transportation Enhancement Activities Grant	
from 1994 Transportation Improvement Program	$158,500.00
TOTAL	**$384,763.00**

Roma's original contract amount is for $593,255.00. The revised contract amount will be for $978,018.

Prepared by: Cliff Jarrard

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-134**

WHEREAS, the Commission previously recommended that staff proceed with development of the preferred alternate, conceptual scheme and layout for the Pier ½ North Ferry Terminal Upgrade; Phase II Project now called the Downtown Ferry Terminal Project; and

WHEREAS, the design of the new Breakwater and the relocation of the Boiler Room/Utility Area currently positioned on the east deck adjacent to the Ferry Building were introduced and graphically displayed in the preferred alternate, conceptual design scheme; and

WHEREAS, neither of these design tasks were part of Roma's original scope of work; and

WHEREAS, Roma has proposed performing these supplementary designs for $384,763.00; and

WHEREAS, both the design of the new Breakwater and the design of the relocation of the Boiler Room/Utility Area will be completely funded by outside government agencies; and

WHEREAS, for the additional design work Roma Design Group will exceed the 22% DBE requirement that applies to the original contract; therefore, be it

RESOLVED, that the San Francisco Port Commission hereby authorizes staff to issue Contract Amendment No. 1

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 21, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

November 15, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Professional Services Contract No. SA 3920019 "Asbestos Abatement Oversight and Consultation Services," with Galson Corporation, approval to authorize the execution of a segment of Phase III of the original contract, including preparing contract documents for the asbestos abatement of the Boiler Room/Utility Area located on the east deck adjacent to the Ferry Building.

DIRECTOR'S RECOMMENDATION: THAT THE COMMISSION AUTHORIZE STAFF TO INITIATE A SEGMENT OF PHASE III OF CONTRACT NO. SA 3920019 WITH GALSON CORPORATION FOR $3,000.00

On May 27, 1992, the Commission approved the award of the professional services contract for asbestos abatement oversight consultation services to Galson Corporation. The contract's scope of services was divided into four phases: Phase 1, Phase 2, Phase 3, and Phase 4. All phases were not initiated at the time of award because funds were available at that time only for Phase 1. Phase 3 includes asbestos abatement consultation services for the Boiler Room/Utility Area, located on the east deck adjacent to the Ferry Building. The Downtown Ferry Terminal Project requires that the Boiler Room/Utility Area be relocated, therefore, contract documents for the asbestos abatement of these areas must be prepared. Funds are now available for the asbestos abatement contract specification preparation. The cost of this work is $3,000.00

Prepared by: Cliff Jarrard

THIS PRINT COVERS CALENDAR ITEM NO. 9A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-142**

WHEREAS, the Commission previously approved the award of the professional services contract for asbestos abatement oversight consultation services to Galson Corporation; and

WHEREAS, the contract's scope of services was divided into four phases: Phase 1, Phase 2, Phase 3 and Phase 4; and

WHEREAS, only Phase 1 was initiated at the time of award because only funds for that phase were available at that time; and

WHEREAS, Phase 3 includes asbestos abatement consultation services for the Boiler Room/Utility Area; and

WHEREAS, the Downtown Ferry Terminal Project requires that the Boiler Room/Utility Area be relocated; and

WHEREAS, the cost of this work is $3,000.00 and funds are now available; therefore, be it

RESOLVED, that the San Francisco Port Commission hereby authorizes staff to initiate Phase 3 of Contract SA 3920019.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 21, 1994.

_____
Secretary

SF
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#3
11/21/94

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

MINUTES OF THE SPECIAL MEETING
NOVEMBER 21, 1994

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1. ROLL CALL

The meeting was called to order by President Preston Cook at 3:10 p.m. The following Commissioners were present: Preston Cook, Anne Halsted, Frank O'Neill, Frankie Lee and Michael Hardeman.

2. APPROVAL OF MINUTES - October 25, 1994 Minutes

ACTION: Commissioner Hardeman moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; minutes of the October 25, 1994 meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report

Mr. Bouey reported on the following items:

1) Treasure Island:

Mr. Bouey stated that Port staff have begun discussions with Redevelopment Agency and the Planning Commission to put together an organizational framework to deal with the future development of Treasure Island It is currently contemplated that the Port would actually be the entity that would take ownership of Treasure Island and an agreement with Redevelopment Agency to develop a part or all of Treasure Island. The Planning Commission, in its capacity, would have jurisdiction as appropriate. This agreement will be subject to the approval of the Mayor and the Board of Supervisors.

2) Prop P Initiative:

Mr. Bouey stated that with the diligent work of a lot of people in this room, this past election, Prop P received 65% of the vote. This is most noteworthy as Prop P was at the bottom of the election ballot and Port ran no campaign. This was truly a civic campaign where people were able to read the issue and decide for themselves whether or not this would be a benefit to the City.

This past year, Port staff worked diligently with various departments of the federal government including Congress and its staff. The Ferry Building project requires an infusion of $30-35 million to make it a reality. Port staff thought we had made very substantial headway toward receiving this money. Unfortunately, as a result of the election, many of those helping us are now without a job.

B. Approval of Joseph Houghteling's plaque in honor of his many years of dedicated public service (Resolution No. 94-121)

Mr. Bouey asked the Commission to honor Joseph Houghteling's efforts in establishing the passageway for those Ferry passengers using the Ferry Building and enumerated the various commissions and agencies that Mr. Houghteling served on. The attached resolution commemorates Mr. Houghteling's efforts with regard to the passageway and recognized that over the years he's literally saved thousands and thousands of steps for the people who use our facility.

Commissioner O'Neill wondered if the Port of San Francisco is included on the plaque. Mr. Bouey responded that he had discussed this issue with Mr. Wilmar and that he agreed to put wording suitable on the plaque with regard to the Port Commission.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

4. SPECIAL ITEM

A. Public Hearing on *Revised Draft Waterfront Land Use Plan ("Revised Draft Plan")* with Proposed Port Commission Revisions, dated November 4, 1994.

Mr. Bouey profusely thanked the Waterfront Plan Advisory Board (WPAB) for the outstanding job they did in producing its recommended Draft Plan. He stated that it was extremely insightful for the then Port Commission to create a community-based Advisory Board and to allow them the time and latitude to thoroughly study the pertinent issues encompassed by the Draft Plan. Given the comprehensive nature of the planning process, the Advisory Board has acquired an understanding of the Port that goes far beyond that of the average citizen. For that reason, Mr. Bouey expects to call upon them again for their comments and assistance as the planning process continues. Mr. Bouey has sent a letter to the Board of Supervisors asking them to confirm the Waterfront Advisory Board's appointment and of his intention to have the Waterfront Advisory Board meet at least on a quarterly basis.

He also commented that there is a nuance in the planning process that sometimes get lost. In most instances, a department creates a plan, goes out for public comments, revises it and then presents it to its Commission. In this case, while Prop H asked the Port Commission to develop a plan with public input. What really happened, is that the Port Commission created an Advisory Board made up of a breadth of people representing all facets of San Francisco and asked them to envision a plan. After the WPAB drafted the plan, then it came to the Port staff, who made their revisions to the Plan. We have a plan that probably represents 95% public input.

Mr. Bouey further stated that some people have the mistaken impression that this land use plan is a development plan. He clarified that this is not true. The land use plan is a very important element on the Port's effort to manage its property; however, it is not a development plan that dictates when and where and precisely what type of development will occur.

He mentioned that the shaded area on Chapter 3 of page 26 was inadvertently included and should be deleted.

Lastly, at the end of July, the Port Commission formally received the Draft Plan from the Advisory Board. Since then, Port staff has comprehensively reviewed the Draft Plan. Port staff support all of the goals and the overwhelming majority of the more detailed objectives and policies recommended by the Advisory Board. However, Port staff has proposed a

number of revisions for Port Commission and public review that we think will help balance the Plan's long-term land use goals with the Port's ongoing operational needs and responsibilities. Most importantly, in keeping with our efforts to keep the public informed, all of the proposed revisions are highlighted in the November 4th Revised Draft Plan publication. Most of these text changes do not change the policies recommended by the Advisory Board. These include factual, grammatical and typographical corrections and changes that reflect updated information and revisions that clarify the intent of various objectives or policies.

However, there a number of substantial changes:

1. Urban Design: Mr. Bouey related that members of the Advisory Board were concerned about the quality of the waterfront projects over the next 5-10-20 years; thus staff has added a revision that calls for the preparation of the urban design guidelines which will include the identification of, preservation guidelines for significant historic resources. These guidelines are intended to build upon those policies already contained in the Revised Draft Plan which, when completed, will provide clear direction to ensure a high quality of design as change occurs along the waterfront.

2. Affirmative Action: We have proposed revisions that reflect the Port's resolve to provide broader business opportunities on Port property. Most importantly, this issue is an important Port issue as opposed to a land use plan. Toward that end, Mr. Bouey has already begun and met with representatives from the Lawyer's Committee for Civil Rights and The Coalition for Economic Equity as well as representatives from the Human Rights Commission to initiate a joint effort to develop a program to implement that goal. Rather than waiting for the EIR process to be done, he believed that by starting this joint effort now, we will be able to extend more business opportunities to local, minority- and women-owned enterprises.

3. Flexibility for Maritime Uses: Port staff has proposed an addition that underscores the Advisory Board's recommendation that the Port Commission has the ultimate authority to use any Port facilities for whatever maritime activity it deems appropriate. This authority will take precedence, if necessary, over the acceptable maritime land use options that are listed for each Port site in the Acceptable Land Use Tables.

4. Pierside Hotels: Mr. Bouey clarified that the Revised Draft Plan follows the Advisory Board recommendation to prohibit hotels on piers or within 100 feet of the shoreline. Some of the media accounts of the proposed revisions were not clear on this fact. However, hotels are acceptable land use options for a number of inland "seawall lots," which are identified as possible commercial developments.

5. New or Already Developed Port Property: Mr. Bouey stated that since the Advisory Board's planning process did not focus on land use options for newly acquired Port property, or existing Port property that is already developed, the Revised Draft Plan includes new policies to address these types of sites. The proposed revisions allow newly acquired property to be considered for mixed use development; and identify a number of land use options (e.g. residential, retail, office, hotels) for existing Port-owned, already developed seawall lots south or west of the Embarcadero, between Powell and Vallejo Streets.

6. Long-Term Interim Uses North of China Basin: Mr. Bouey stated that, in general, the

Revised Draft Plan reflects the interim use policies recommended by the Advisory Board. However, in light of the deteriorating state of many of the piers in the northern half of the waterfront, Port staff proposed revisions that provide for longer term interim uses in exceptional cases. Any such uses would be subject to the new project review process proposed in Chapter 5 of the Revised Draft Plan, which incorporates both early and frequent opportunities for public review and comment.

7. Consideration of a Ballpark: Mr. Bouey reiterated that the Plan calls only for the consideration of a ballpark. A ballpark is not included in the plan. When the Waterfront Advisory Board debated this issue, the notion of a sports/entertainment complex had not yet been born. Secondly, the issue of a ballpark was decided by a close vote of the WPAB. Thirdly, the election in 1989 indicated how closely contested the ballpark issue is. What staff proposes today are revisions that allow the future consideration of a ballpark He further stated that in light of the recently presented conceptual proposal for a mixed use sports and/or entertainment complex which would include a ballpark on Port property, this revision allows an opportunity to study the merits of the project. Past proposals to develop a ballpark in the City have engendered public interest and debate across the City. As a result, staff believes that the decision on whether to allow a ballpark on Port land should take place after the sports and/or entertainment complex proposal is better defined, better evaluated and reviewed by the affected regulatory agencies. If after that review, a ballpark/entertainment complex was deemed acceptable to the Port Commission and other City and state commissions with jurisdiction, that project would be submitted to the voters of San Francisco for their approval.

8. Additional Acceptable Land Uses: The Revised Draft Plan includes additional land use options for specific Port sites. The vast majority of these additional acceptable land uses reflect existing tenants, allow new maritime or public-oriented activities or provide potential alternate uses for already developed Port properties.

9. References to Small or Large: In several places in the June 20th Draft, references were made to "small" or "large" open spaces or other use. These terms have been replaced by terms such as "appropriately sized" or "consistent with existing height and bulk limitations for the site" so that particular proposals can be weighed on their merits as they occur.

10. Southern Waterfront: Mr. Bouey stated that the proposed revisions for the Southern Waterfront identify two areas that would not be reserved exclusively for maritime-related purposes, and thus could be developed for non-maritime uses. These revisions reflect cargo industry trends and factors regarding the Bay Area's capacity for cargo and have been corroborated by independent analysis conducted by BCDC and MTC.

Mr. Bouey acknowledged the dedication to this project exhibited by Port staff. This is one of several reports and drafts turned around by the Waterfront Plan staff (Anne Cook, Diane Oshima, Noreen Ambrose, Kari Kilstrom). In addition, Mr. Bouey stated that the planning staff stated couldn't have possibly met any of the deadlines without the extraordinary contribution of administrative and secretarial staff. Floristine Johnson and Pat Jackson, in particular, worked around the clock to produce this document.

Mr. Bouey stated that this is a public hearing and it is their opportunity to comment and will take their comments under consideration and at the next Commission meeting, this item will be scheduled for possible adoption in order to proceed with the EIR.

Commissioner Cook stated that the Plan reflects the changes made by input from Port staff and some of the Commissioners. He thanked everyone involved who put so much time in the Plan. It's a document that is extremely workable. It is a proposal that will make a better Port and will make a better place for San Franciscans. It is a blend of a very complex set of issues that will allow the Port to move forward. He thanked Port staff, WPAB, and his fellow commissioners.

Commissioner Halsted expressed her gratitude to the members of the Land Use Advisory Board and to the staff and to the public who has continued to be seriously concerned and interested in making sure we get the best results. She further commented that very often the press speak of the Port Commission as if it were Port staff. One might believe in reading articles about the land use plan that it has already been adopted with changes. She pointed out that it has not yet been adopted and staff is recommending changes to the Commission.

The following are the public comments:

Bob Tufts, Waterfront Plan Advisory Board Chair (WPAB):

- WPAB's Draft Plan is product of a three year public planning process involving 75 public meetings, plus numerous other subcommittee and community meetings;
- Planning process paralleled planning process for Bay Area Regional Seaport Plan, and it appears policies regarding cargo/maritime land use will be consistent between the two documents;
- Draft Plan is flexible, reflecting WPAB's intent to not micro-manage the Port -- this increases the importance of the implementation process for carrying out development under the Plan;
- Draft Plan was not "sanitized" to meet restrictions of other regulatory bodies; if the Draft Plan is transformed into a "Special Area Plan" that is adopted by other relevant decision-makers (e.g. BCDC), Draft Plan will probably undergo further revisions before it is final;
- Draft Plan supports measures to streamline the entitlement process, providing opportunities for maximum citizen input for major projects, and ensuring that all direct interests in each of these projects are represented in an Advisory Group; in addition, WPAB recommended a standing maritime advisory committee to recommend ways to protect maritime opportunities;
- Ferry Building: WPAB felt that Ferry Building is the centerpiece of the waterfront, and thus supported Proposition P;
- Affirmative Action: The WPAB recommended that staff work with interested WPAB members to develop additional Plan language regarding affirmative action policy; to his knowledge, staff made all efforts to follow through on this request;
- Hotels: WPAB ultimately recommended that the Draft Plan continue the prohibition of pierside hotels, as stated in Proposition H; however, in light of high level of public debate on this topic, Advisory Board produced a separate recommendation for consideration by the Port Commission that recommended a maximum of four locations (including Pier 40) for pierside hotels, if the Commission and S.F. voters approve such use, a number of other development conditions are met;
- Ballpark: WPAB recommended that ballparks (large sports facilities) should be an unacceptable use based on its view that the size and scale of such a major edifice are inappropriate at the China Basin site (or within 100 feet of the shoreline), and such use would not generate revenue for the Port. However, WPAB did not consider a ballpark in the context of a sports/entertainment complex.

Julia Viera, Board Members for San Francisco Beautiful and WPAB:

- Approves all the proposed Port Commission revisions, especially making SWL 354 available for non-maritime uses; that site has great potential for residential use;
- Presented resolution from S.F. Beautiful Board of Directors, which states that revisions were carefully considered and expresses support for all the proposed revisions.

Joel Ventresca, San Francisco Tomorrow Waterfront Committee (and various other organizations cited):

- On November 9, 1994, SFT Directors adopted a 10 point position paper regarding the Draft plan, and had previously sent comments regarding a stadium on March 1st, 1994;
- The Draft Plan violates Proposition H because it does not reserve land for maritime activities, as provided in Sec. 1(a) of the ordinance, and does not conform with the City's Master Plan;
- Draft Plan does not provide a strategic plan for maritime industries --it only provides for a maritime industry committee;
- Draft Plan does not protect maritime uses at Piers 15-17, 19-23, 27-29, allows non-maritime interim uses, and opens up waterfront to all sorts of non-maritime commercial development;
- Proposition H did not intend to lead to a wall of SWL hotels;
- Environmental racism by allowing more than one new power plant;
- Shrinks maritime expansion areas by over 40 acres; betrays Mission Bay land swap;
- Shrinks space for fishing industry at Pier 45;
- Allows for fill credits: Draft Plan contains open-ended language: and broad definitions;
- Promotes a ballpark site that was rejected by voters;
- Encourages changes to McAteer-Petris Act;
- Draft Plan reduces Guiding Principles to Goals that need not be followed;
- Port's container terminals are currently operating at two percent capacity, dredging is being cut back, unprecedented loss of shipping lines, and the Draft Plan is one reason why this is taking place.

Jeff Heller, Chair SPUR Waterfront Committee, WPUR Board Member:

- Essentially agrees with the Waterfront Plan and concurs with proposed modifications, but has a few "cautions."
- Seattle is a positive model for S.F.'s waterfront; Seattle achieves a mixture of maritime operations at one end and commercial, retail, recreation, ferries, historic trolley service along the cityfront;
- Advocates continuous, non-transfer transit service along the Embarcadero, north and south of the Ferry Building;
- Regarding the implementation process proposed in Chapter 5, concerned that the proposed Advisory Group would force developers to respond to "too many masters"; the Advisory Group should provide input before the Port issues the RFP, and provide advisory input as part of the rest of public comment opportunities after the developer is selected;
- Interim use policy should be revised to provide for an eviction/compensation clause that allows Port to terminate interim use leases if the Port wishes to initiate permanent development; interim uses should be consistent with overall Plan goals;
- Regarding a ballpark: SPUR supports the actions that the Commission has taken on sports facility because it's important to open the door on this issue and let the public vote

on them.

- Regarding hotels: consideration of hotels on piers, as part of viable mixed use projects, should be allowed; overall, the number of hotels should be limited --do not want to see a wall of hotels, whether on SWLs or piers.

Rick Mariano, Rincon Point-South Beach Citizens' Advisory Committee:

- RP-SBCAC is sensitive to Redevelopment Agency's need for revenue-generating use on Pier 40 to meet debt service on the South Beach Marina and thus supports allowing a hotel as a land use option for the site;
- The CAC's past opposition to a China Basin ballpark does not necessarily translate to opposition to current proposed revision to allow further consideration of a ballpark, with the conditions proposed, including approval by voters. It is best not to preclude a ballpark;
- Like the ballpark, hotels should not be absolutely precluded under the Plan; similar language for allowing further consideration of hotel should be included in the Draft Plan;
- CAC has reviewed Draft Plan during the planning process, and on the whole, supports it.

Paul Sedway, WPAB Member:

- He found his role on WPAB an interesting twist since, as a professional planning consultant, he often has established public planning processes for clients rather than been a participant;
- Often has found that the process is more important than the project, and feels that waterfront planning process was very thorough and fair, and that Chair Tufts conducted it in an even-handed manner that allowed everyone to air their views; There were very few times when consensus was not reached;
- The Port will need to continue to monitor the details of the Plan (e.g. development of the Urban Design Guidelines) and Plan implementation.

Jim Firth, Potrero League of Active Neighbors:

- Congratulated the WPAB for their hard work to develop the Draft Plan; pleased that the Commission has confirmed 90-95% of the recommendations;
- Expressed concern that more local citizens weren't in attendance, suggested the time of the hearing may be a deterrent;
- He was active opponent of the 1989 China Basin ballpark ballot measure; indicated that Port Commission will be responsible for any money and resources spent on another ballpark measure, since it should have, but did not, close the door on the possibility;
- Past measure was not a referendum on baseball, it was about planning, transportation, public finance and other issues;
- Ballpark proponents should seek input directly from neighborhood groups early on, rather than attempting to short circuit them by getting Mayoral/Port support;

Toby Levine, WPAB Member and Planning Commission Member:

- Complimented wonderful planning process, the most even-handed process she has participated in;
- Reminded that Draft Plan is a land use plan, which is general and flexible rather than a strategic plan. As the need arises for further studies, other plans (e.g. strategic or development plans) may be necessary to provide further details;

- The Planning Commission is very interested and supportive of the Port Commission's efforts to improve the waterfront, and will encourage coordination between Planning Dept. and Port staff;
- Supported the need to develop Urban Design Guidelines;
- Concerned about traffic movement along the Embarcadero; to control travel speeds to avoid hazards to pedestrian activity which will increase along the waterfront.
- Concurred with Chair Tufts that WPAB did not consider merits of a sports/entertainment complex; However, expressed concern that, if the Plan goes on the ballot for voter approval, such approval may be jeopardized by inclusion of the ballpark revision.

Michael Kaplan, S.F. Redevelopment Agency staff:

- Stated that the Redevelopment Commission will discuss the Draft Plan at its public meeting on November 22nd, particularly its interest in Pier 40, and forward comments to the Port Commission after its December 5th public meeting.

Jack Bair, Director of Legal and Governmental Affairs, S.F. Giants:

- While Giants would prefer that a ballpark be included in the Draft Plan as an acceptable use, they support the notion of seeking voter approval (1989 ballpark measure lost by 900 votes), if a feasible development plan is presented; would like to retain the opportunity to bring forward a better proposal to the voters.

Chris Martin, Cannery Shopping Center, Fisherman's Wharf:

- The Draft Plan is a wolf in sheep's clothing; ; the details of the Draft Plan undermine the Commission's responsibility to preserve the future of the waterfront;
- The Draft Plan undermines the fishing industry by changing fish-related uses at Pier 45, Sheds A and C, to tourist uses (Chap. 4, pp. 1-18), and reduces industry services for fishermen and/or reduces buffer zone between industry and tourists; interim uses in Fish Alley will become permanent;
- The commercial fishing industry has paid more rent to the Port than retail/commercial tenants; commercial tenants have been successful because of the presence of the fishing industry.

Fritz Arko, Pier 39:

- Commended the Port for developing the Draft Plan in a slow, deliberate, comprehensive form (as opposed to SFT's claim of a nine month planning process during the Proposition H campaign); believes Draft Plan can move the waterfront forward into the 21st century and thus should be adopted;
- Suggested that the Port prod MUNI on the construction of the F-line.

Don Wyler:

- As a S.F. resident and observer of the Port for over 20 years, praised the Draft Plan because this is the first time the Port has developed a plan and actively sought public input; encouraged the Port to follow through to adopt it and produce a blueprint for realistic use of one of the most attractive and visible U.S. waterfronts.

Claude Wilson, President, Morgan Heights Homeowners Association Board of Directors:

- On behalf of Morgan Heights and other area homeowners groups (Innes Avenue, Mariners Village, Northridge, Hunters Point), opposes construction of a co-generation power plant in the Southern Waterfront; Bayview/Hunter's Point already is saturated with industrial pollution, toxic waste, two PG&E power plants, SE Water Pollution Treatment Plant, junk yards;
- Believes that a co-generation plant would conflict with "Ordinance T" in the City Charter, and would not be allowed under the Burton Act;
- Wants area to transformed from industrial to residential use; homeowners have efforts underway to beautify the area for residents.

Jason Pearl:

- As a life-long Giants fan, he supports the Draft Plan revisions to allow further consideration of a ballpark; this is a matter that the voters should decide.

Commissioner Cook asked for a 5-minute break.

Richard Millet, WPAB Member, Potrero Boosters and Merchants:

- Complimented Port staff and the WPAB for the work they did on the Draft Plan;
- However, feels the Draft Plan has been weakened by allowing further consideration of a ballpark; as member of Potrero Merchants and Boosters Association, adamantly opposes a ballpark at China Basin --the superior ballpark site is Candlestick Park, which should be improved;
- A China Basin site is problematic because of constrained traffic access, would cause traffic to back up on I-280 and on Third Street (particularly when the drawbridge is up) that would negatively impact Potrero Hill and cause problems for the South of Market Area; also, a China Basin ballpark would be too large for the site;
- The Draft Plan would be more readily acceptable by leaving the ballpark out; if the Mayor wants the ballpark, let him submit a separate ballot measure.

Jerry Liberatore, Bay View Boat Club:

- Supports Pier 52 public boat launch and bait shop, which is included in the Draft Plan; this is the only public launch in San Francisco, and he would like an opportunity to develop and operate the bait shop.

Nan McGuire:

- Complimented the planning process and WPAB and Port Commission for abiding by the Advisory Board's recommendation to prohibit pierside hotels, a politically wise move;
- Referred to a packet of letters containing comments on the proposed revisions; read comments regarding a ballpark from a letter from Pat Flanagan, stating that it was disingenuous for the Port to use the sports/entertainment complex as the reason for allowing consideration of a ballpark;
- Concurs with Toby Levine in that 1) inclusion of the ballpark revision would endanger the Draft Plan; and 2) believes traffic controls measures will be necessary along the

Embarcadero for pedestrian safety.

Tom Creedon, Scoma's Restaurant:

- The Draft Plan allows for businesses to survive; businesses that fail, do so because they resist change;
- Appreciates Draft Plan's support and recognition of historic value of the fishing industry;
- Hope Plan will be allowed to move forward to effect real change along the waterfront; the work of the Fisherman's Wharf CAC should be reviewed and perhaps some of it could be incorporated into the WLUP.

A.R. Langley, LL Management Company:

- Represents an investor/developer group that has been waiting for the Plan to be completed, and wonders how long it will take (he was informed it would take two years).

Charlie Walker, Bay View Hunter's Point Builders Exchange:

- Opposes co-generation plant at the Innes Avenue site; it would be more acceptable at the Cargo Way site in the Southern Waterfront;
- The Port currently uses the land around Cargo Way for storage of concrete spoils from demolition of the Embarcadero Freeway, which should be removed to allow clean up of toxic contamination that would improve conditions in the Bayview area; his trucking association has offered to do the hauling.

Jim Haas, Member, Rincon Point-South Beach CAC:

- The Draft Plan has been viewed very favorably, however, he believes the ballpark revision jeopardizes that public support;
- He submitted articles written after the 1989 ballpark proposal that set out his concerns; now with more residents in the area, public opposition is likely to be greater;
- The ballpark does not have to be at China Basin; at this location, a ballpark would require new Bay fill and a number of waivers from BCDC; perhaps the 4th Street area would better accommodate a ballpark.
- Arena would produce more revenue for the Port than a stadium.

Anne Cervantes, WPAB Member:

- The WPAB agreed to add a separate goal to address "economic access that reflects the diversity of San Francisco"; in the process of working with staff to come up with new language; so far, the current language in the Draft Plan falls short;
- She did not present proposed language to the Port Commission earlier, to avoid any conflicts with the Proposition P measure that was on the November ballot.

Frank Levy:

- Trained as an architect, particularly for performing arts and public assembly spaces; does not believe that a new ballpark could be modeled after Fenway Park or Wrigley Field because those two ballparks were developed in a different historical context; current regulations would not permit the same level of intimacy of those facilities.

Redmond Kernan:

- Complimented WPAB and the staff on the development of the Draft Plan;
- While he recommends that Port should endorse the Plan without pierside hotels, the Commission should not lose track of the Advisory Board's separate resolution regarding the conditions for pierside hotels, if they were to be approved; pierside hotels should be studied as an alternative in the EIR, which would allow the Port the possibility of submitting this issue to the voters in the future;
- The F-line should be planned to connect with the MUNI Metro Extension; while the connection may not be needed now, measures should be taken during construction to preserve the opportunity for it to be implemented in the future;
- Carefully review the implementation process --it will be another 3-5 years before any development can begin; therefore, analyze as much as possible in the EIR now underway in order to minimize future environmental review requirements.

Peter Moylan, WPAB Member and Ballpark Advisory Committee Member:

- The Draft Plan gives the Port Commission flexibility and, therefore, responsibility to see that the Plan is properly implemented, which will earn public trust and leave a positive legacy;
- While he supports the notion of ballpark in San Francisco, he opposes a China Basin location; a ballpark needs to be linked to a CalTrain station, for example at Seventh and Townsend; He feels it might have been appropriate to reconvene the Advisory Board to receive input prior to proposing the revision; he thinks that voters will think that a combination of an arena and a ballpark is too much, and would rather that the Commission take a position on this matter;
- Other than the ballpark, the proposed revisions by and large are not unreasonable; he understands that the regional Seaport Plan will provide the direction for maritime policy, and is satisfied with the Draft Plan revisions if they are consistent with the Seaport Plan; Everything that Joel Ventresca wants for the waterfront could happen under the Plan.

Jennifer Clary, President, S.F. Tomorrow:

- Wanted more time to review the proposed revisions, but stated SFT's concerns:
- Opposes changes in language, from "minimize parking requirements. . ." to "maximize efficient use of parking. . ." because it deemphasizes "transit first" policy;
- Troubled by requirement for Urban Design Guidelines, since it seems policy statements on historic buildings are removed from the Draft Plan and transferred to the separate process to develop the Urban Design Guidelines; Hopes Guidelines will be subject to same review as Plan.
- Opposes changes that allow exceptions for longer interim uses; would like to see 5 year interim uses with renewal subject to public approval.
- Opposition to ballpark expressed by Coalition of S.F. Neighborhoods, and other neighborhood groups;
- Opposes co-generation power plant in Southern Waterfront;
- Non-maritime uses have been touted as a means for supporting maritime uses, but a ballpark would not provide revenue;
- Opposes use of "including, but not limited to. . ." in definition in Appendix C;
- PortWalk should be required for all new developments;
- Non-maritime general office and parking should not be allowed on piers;
- The maritime advisory body recommended in the Draft Plan should develop a maritime

strategic plan that should be incorporated into the Plan;
- Opposes proposed revisions to reduce the amount of land area exclusively dedicated to maritime expansion;

Esther "b" Woeste, WPAB Member:

- Feels that the Draft Plan has been watered down, primarily by inclusion of the ballpark revisions; believes the Port should have met with WPAB regarding this change (although seems to be under the wrong impression that the Port is representing the ballpark revision as the work of the Advisory Board).

Dorothy Dana, One Hills Plaza Homeowners Association:

- Hills residents, as well as other Delancey and Bayside Village residents she has spoken to, are concerned about the impacts of an arena and/or ballpark on their quality of life/emerging residential character of the area specifically concerned about noise and congestion.

Michael Levin:

- He liked the original language regarding historic preservation policies in the Draft Plan, and is especially concerned about language on p. IV.32 which refers to removal of bulkhead buildings to open up views; suggested alternate language ". . .to consider whether any structures around the Ferry Building should be removed. . ."; wants to protect what remains of the historic bulkhead buildings.

Peter Brown, Anchorage Shopping Center:

- As Chair of the Planning Committee for the Fisherman's Wharf CAC, the protection of the fishing industry, temporary or otherwise, was the one issue which received unanimous support; the Plan revisions should not weaken support for the fishing industry;
- Although the fishing industry is currently in a slack period, it will rebound and will refill vacant facilities;
- The Port already collects enough revenue from the Fisherman's Wharf area to support the needs of the fishing industry;
- The Draft Plan itself is generally good, although should be more site specific; however, in the long-run, it will result in commercializing the waterfront and result in a fight over every development project.

Commissioner Cook thanked everyone who spoke and stated that the Commission will have a meeting in December to take a vote on this issue. Commissioner Cook then requested for a 5 minute break.

Commissioner Cook stated that the public hearing of the Draft Waterfront Plan is now closed. Commissioner Halsted commented that she'd like take time to incorporate the comments into her thoughts and prepare in writing a list of thoughts to be included in the Plan.

Commissioner O'Neill commented that this Commission is very much dedicated to improving and helping the fishing industry by electing to pick up the PG&E bill for the ice machine and ice production at Fisherman's Wharf and will continue to do whatever it can to help and encourage fishermen. Commissioner Cook mentioned that the fishing industry has not

testified that the Port has done anything other than improve and help the fishing industry.

Commissioner Halsted requested a copy of any comments received in writing regarding the Draft Plan. Commissioner Halsted reiterated that highlights and major comments that have been made and written comments be provided to the Commission as soon as possible.

5. TENANT & MARITIME SERVICES

A. Approval of Assignment and Amendment of Leases for United Shellfish Company at Fisherman's Wharf and Approval of Sub-lease. (Resolution No. 94-132)

Mr. Bouey stated that United Shellfish currently holds three leases in the Fisherman's Wharf area. These leases expire in 2036. In recent years, United has encountered some financial difficulties and currently owes the Port approximately $34,000. SCOMA's, a tenant near United Shellfish, has stepped forward to assist that company at the same time address several other long standing fisherman's wharf issues. The accompanying resolution does the following:

All three leases will be assigned to SCOMA's and United Shellfish will be released from its obligations under those leases. In turn, SCOMA will pay to the Port all monies owed to it by United Shellfish. Additionally , the leases will be amended such that SCOMA's may sublease two of the premises to United Shellfish and more importantly, will allow other uses for the third site such as a booking office for charter boat, a place to purchase bait and tackle, as well as showers for people using those facilities. This is a real example of one tenant coming along and helping another, with the community benefiting.

ACTION: Commissioner Hardeman moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

6. FACILITIES & OPERATIONS

A. Professional Services Contract No. SA 3930045 "Pier ½ North Ferry Terminal Upgrade Phase II," with ROMA Design Group. Approval of First Amendment, authorizing design work for the Ferry Building breakwater and the relocation of the Boiler Room/Utility Area, not to exceed $400,000 in design fees. (Resolution No. 94-134)

Mr. Bouey stated that the Commission recently approved the preferred alternative for Pier 1/2. Subsequent to that action, staff began the negotiation process with ROMA Design. With the inclusion of the breakwater, a new element of work was introduced which Port staff does not have the resource to design. Originally, there were allocations of what work Port staff and ROMA would each perform. In addition, because of the Ferry building Renovation project, additional work needs to be performed with regard to the boiler room. Staff recommends that the additional design work for the breakwater and boiler room be included in ROMA's contract because of their familiarity with the work. Staff further recommend that the contract modification be paid for from grant monies from the Federal Highway Administration, Transportation Enhancement Activities grant.

Carl Maletic inquired why the boiler room was not included many years ago and why the breakwater itself was not put out to bid independently. Mr. Cliff Jarrard, Chief Harbor Engineer, responded that the reason for not putting this out as a separate proposal is because of ROMA's familiarity with the Ferry Building and Ferry Terminal project and it would take

4-5 months for an RFP. Staff was assured that having ROMA will meet the minimum amount of MBE/WBE subconsulting participation required, which is 22%.

Commissioner O'Neill inquired if this design study includes the water taxi and new ferry service. Mr. Jarrard responded that this particular phase of the project does not; it will, however, be included in a future phase.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

7. PLANNING & DEVELOPMENT

8. ADMINISTRATION

9. CONSENT CALENDAR

A. Professional Services Contract No. SA 3920019, with Galson Environmental. Approval to execute a segment of Phase III of their original contract, including preparing contract documents for the asbestos abatement of the Boiler Room and Utility Area located on the east deck adjacent to the Ferry Building. (Resolution No. 94-142)

ACTION: Commissioner Hardeman moved approval; Commissioner O'Neill seconded the motion. All Commissioner in favor; the resolution was adopted.

10. NEW BUSINESS

Marilynne Pryor, managing partner of a group of individuals who put together a proposal for the lease of the Mission Rock Resort spoke about the Mission Rock RFP. She stated that the RFP was an extremely ambiguous document, the information provided was very limited and access to the site was restricted. They put a proposal together which was completed on the afternoon of October 28. She explained what transpired with the messenger service. They immediately called the Port and explained the situation and told them that every effort was being made to get the proposal in by 5 o'clock and understood from the conversation that they would have a few minutes, but no more than that. They sent the proposal relying on that statement. On November 9, ten days later, they received their proposal in the mail; rejecting it because it was received at 5:03. They were astounded as they had relied that they were given a few minutes grace period under the circumstances of the messenger confusion and because Port staff had kept their proposal for almost ten days, opened, read the proposal and taken the $10,000 deposit check. They have since spoken to the Port staff and been informed that the 5 o'clock deadline was absolute and no one has the authority to give them any grace period. They believe that their proposal and their bid has been compromised through a misunderstanding. They believe that the Port has been compromised because they think the Port does not have the opportunity to consider a proposal that they think would be in the best interest of the Port and the City of San Francisco and asked if there's anything the Commission can do about it.

Commissioner Cook stated that he has read their correspondence and talked to staff about it. He stated that the rules are the rules as they were clear and not to count on staff on any verbal agreement. It would be unfair at this time to reopen the process or to include their group in the process. Ms. Pryor acknowledged that rules are rules but she was surprised that the bid was not sent back with the messenger that same day and that staff had kept the proposal, appeared that it has been read and the check had not been returned. Commissioner Cook stated that he feels

personally bad as is the Commission that Pryor & Associates was not able to compete on this process but it's too late to make any changes and hopes that there will be another site in the future for them to bid on. Ms. Pryor commented that she's not actually sure that the rules are the rules and they'll probably take it to the next step.

11. EXECUTIVE SESSION

At 6:30 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matters:

A. The status of the following litigation cases:

Kirp v. CCSF, Superior Court No. 944-722
Kraal v. CCSF, Superior Court No. 943-927

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of these matters in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, Subdivision (a).

B. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
Person Negotiating:
Port of San Francisco Representative: James Lazarus, Director Special Projects
Port of Oakland Representative: Leo Brien, Director of Maritime

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland regarding Piers 94-96. This is specifically authorized under California Government Code Section 54956.8

C. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lots 348 and 347S, Eastside of Steuart Street between Folsom and North of Howard Streets (known as Rincon Point Park)
Person Negotiating:
Port of San Francisco Representative: Dennis Bouey, Executive Director
San Francisco Redevelopment Agency Representative: Clifford Graves, Director

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the San Francisco Redevelopment Agency regarding Rincon Point Park. This is specifically authorized under California Government Code Section 54956.8

D. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the

Port and AES, a California corporation regarding Cogeneration Plant. This is specifically authorized under California Government Code Section 54956.8.

E. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

ACTION: Commissioners Cook, Halsted, O'Neill, Lee and Hardeman returned from executive session and convened in public session at 7:55 p.m. Commissioner Halsted moved approval to not disclose any information discussed in the executive session. Commissioner Hardeman seconded the motion. All Commissioners in favor.

Meeting was adjourned at 7:57 p.m.

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PORT OF SAN FRANCISCO

NOTICE OF CANCELLATION

THE REGULAR PORT COMMISSION MEETING SCHEDULED FOR
TUESDAY, DECEMBER 13, 1994 AT 4:00 P.M.
IS HEREBY CANCELLED

♦ • ♦ • ♦ • ♦

A SPECIAL PORT COMMISSION MEETING
IS SCHEDULED FOR

Tuesday, December 19, 1994 at 4:00 p.m.

in the Port Commission Room
Suite 3100, Ferry Building
San Francisco, CA

SF
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SPECIAL MEETING
4:00 P.M., MONDAY, DECEMBER 19, 1994
3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES -** November 21, 1994 Minutes

3. **EXECUTIVE**

   A. Executive Director's Report

4. **PUBLIC HEARING**

   A. Public Hearing on *Revised Draft Waterfront Land Use Plan ("Revised Draft Plan")* with Proposed Port Commission Revisions, dated November 4, 1994.

5. **TENANT & MARITIME SERVICES**

   A. Approval and Consent of Agreements pursuant to the Port and Redevelopment Agency Rincon Point-South Beach Option Agreement for portions of Port property located at Parcel M-4-C, also known as Seawall Lot 334 (between Berry and King Streets, east of Second Street).

      1) Assignment and Assumption Agreement of the Port/Ship's Clerks Memorial Hall Association and The Ship's Clerks Association, ILWU, Local 34 (ILWU) lease to the Redevelopment Agency. (Resolution No. 94-154)

      2) Lease Modification Agreement between the Redevelopment Agency and ILWU. (Resolution No. 94-155)

      3) Letter of Understanding between the Redevelopment Agency and the Port regarding Redevelopment Agency's Waiver of Option to lease Public Transportation Commission PTC Parcel and Rent Reduction for a portion of Port parcel known as Parcel M (Parcel M-4-C). (Resolution No. 94-156)

   B. Approval of Memorandum of Understanding between the Port of San Francisco and the Public Transportation Commission (PTC) which allows the PTC to construct a transit substation on a portion of Port property located on SWL 334 (between Berry and King Streets, east of Second Street). This agreement is for a term of 55 years (expires on December 31, 2050) and for a one time lump sum use fee to the Port of $185,000. (Resolution No. 94-157)

6. **FACILITIES & OPERATIONS**

A. Approval to enter into a professional services contract with Levine-Fricke, AGS, Inc.; a Joint Association, for architecture and engineering services for the Pier 98 Wetlands and Open Space Project. (Resolution No. 94-147)

B. Request for approval for the Executive Director to sign an agreement with Pacific Gas & Electric Company for an underground electric line extension at Pier 45, with said agreement containing a clause which requires the Port to indemnify PG&E. (Resolution No. 94-144)

C. Request for approval for the Executive Director to sign an agreement with Pacific Gas and Electric Company for installation of a gas distribution facility at Pier 45, with said agreement containing a clause which requires the Port to indemnify PG&E. (Resolution No. 94-145)

D. Authorizing the Executive Director to Execute a Second Amendment to San Francisco Bay Conservation and Development Commission (BCDC) Permit 8-90 for Public Access and Indemnification. (Resolution No. 94-148)

7. **PLANNING & DEVELOPMENT**

8. **ADMINISTRATION**

9. **CONSENT CALENDAR**

A. Authorization to assign the Marine Terminal Agreement with Naviera Interamericana Naviana S.A. (Navicana) to the Pacific Steam Navigation Company. (Resolution No. 94-152)

B. Authorization to amend the three Marine Terminal Agreements with Compania Sud American de Vapores, Flota Mercante Gran Colombiana, and The Pacific Steam Navigation Company to extend their terms and to provide for five one-year options. (Resolution No. 94-94-153)

C. Amendment of Marine Terminal Agreement with Maruba S.C.A. to provide for transfer of their vessel operations from Pier 80 to Pier 94/96 and to provide an additional termination right for the Port. (Resolution No. 94-149)

D. Assignment of License with Southwest Marine Inc. to San Francisco Drydock Inc., commonly controlled corporations, generally located at 20th and Illinois Street. (Resolution No. 94-150)

E. Authorization to extend the Management Agreement for Pier 27/29 with Marine Terminals Corporation for three months under the existing terms and conditions. (Resolution No. 94-151)

F. Approving a Declaration of Emergency for Pier 35, Replacement of Fender System (Resolution No. 94-146)

G. Approval of two (2) leases with Bruce Waygood, an individual, dba Flipway Products, for Shed Space, Walled Shed Space and Outside Storage Space at Pier 46B. (Resolution Nos. 94-159-160)

10. **NEW BUSINESS**

11. **EXECUTIVE SESSION**

A. PUBLIC EMPLOYEE APPOINTMENT

1) Confirmation of Appointment of Director of Administration.

2) Confirmation of Appointment of Manager of Marketing

An executive session of these matters are specifically authorized under California Government Code Section 54957.

B. CONFERENCE REGARDING CLAIM AND LITIGATION MATTERS

1) Application for Permission to Present a Late Claim - Hugo Juarez

An executive session is calendared for discussion and for action regarding the application for permission to present a late claim by Hugo Juarez. An executive session is specifically authorized under California Government Code Section 54956.9 subsection (C). (Resolution No. 94-158)

2) Kraal v. CCSF, Superior Court No. 943-927

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, Subdivision (a).

3) Conference with Legal Counsel - Anticipated Litigation

Motion that Port Commission meet in closed session to confer with Counsel to *consider initiation of litigation* pursuant to California Government Code Section 54956.9 subdivision (c). (3 cases).

C. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lots 348 and 347S, Eastside of Steuart Street between Folsom and North of Howard Streets (known as Rincon Point Park)
Person Negotiating:
Port of San Francisco Representative: Dennis Bouey, Executive Director
San Francisco Redevelopment Agency Representative: Clifford Graves, Director

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the San Francisco Redevelopment Agency regarding Rincon Point Park. This is specifically authorized under California Government Code Section 54956.8

D. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation regarding Cogeneration Plant. This is specifically authorized under California Government Code Section 54956.8.

E. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
Person Negotiating:
Port of San Francisco Representative: James Lazarus, Director Special Projects
Port of Oakland Representative: Leo Brien, Director of Maritime

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland regarding Piers 94-96. This is specifically authorized under California Government Code Section 54956.8

F. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

12. **ADJOURNMENT**

Public comment is permitted on any matter within Port jurisdiction, and is not limited to agenda items.

DISABILITY ACCESS

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100.

The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART station is Embarcadero Station located at Market and Steuart Streets. The closest accessible MUNI Metro station is Embarcadero station located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

There is accessible parking at the Ferry Building and at the public lot in the Embarcadero median in front of the Ferry Building.

Assistive listening devices are available for use in the Port Commission Meeting.

The following services are available on request 72 hours prior to the meeting. Please contact Frank Palumbo at (415) 274-0559. Late requests will be honored if possible.

- American Sign Language Interpreters
- A Sound Enhancement System
- Large Print of the Agenda
- The use of a reader during the meeting
- Minutes of the Meeting in Alternative Formats

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

December 14, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: A. Approval and Consent of Agreements pursuant to the Port and Redevelopment Agency Rincon Point-South Beach Option Agreement for portions of Port property located at Parcel M-4-C, also known as Seawall Lot 334 (between Berry and King Streets, east of Second Street). (Resolution Nos. 94-154 through 94-156)

B. Approval of Memorandum of Understanding between the Port of San Francisco and the Public Transportation Commission (PTC) which allows the PTC to construct a transit substation on a portion of Port property located on SWL 334 (between Berry and King Streets, east of Second Street). This agreement is for a term of 55 years (expires on December 31, 2050) and for a one-time lump use fee to the Port of $185,000. (Resolution No. 94-157)

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE ASSIGNMENT AND ASSUMPTION AGREEMENT RE ILWU LEASE TO THE REDEVELOPMENT AGENCY, LEASE MODIFICATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND ILWU, LETTER OF UNDERSTANDING BETWEEN THE REDEVELOPMENT AGENCY AND PORT REGARDING RENT REDUCTION, AND APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN THE PORT AND THE PUBLIC TRANSPORTATION COMMISSION FOR THE CONSTRUCTION OF A TRANSIT SUBSTATION.

BACKGROUND:

The Redevelopment Agency of the City and County of San Francisco (the "Agency") holds an option to lease Sea Wall Lot 334 under an Option Agreement dated September 26, 1984 between the Port and the Agency. Specifically, Sea Wall Lot 334 is included within "Parcel M-4" under the Option Agreement. The Agency intends to construct a public park on portions of Sea Wall Lot 334, exclusive of the substation area, in accordance with the redevelopment plan for the Rincon Point - South Beach Redevelopment Project Area.

The Port leases a portion of Sea Wall Lot 334, including the area which will be occupied by the substation, to the Ship Clerks Memorial Hall Association and the Ship Clerks Association, I.L.W.U., Local 34, pursuant to a lease dated December 1, 1970 (the "ILWU Lease"). The substation site presently constitutes part of the parking lot used by the ILWU.

Under the Option Agreement, the Agency will lease Parcel M-4 from the Port and the Port will assign the ILWU Lease to the Agency. Once the ILWU Lease is assigned to the Agency, the Agency, with the consent of the Port, will enter into a Lease Modification Agreement, amending the ILWU Lease. The amendment of the ILWU Lease will reconfigure the ILWU's leased premises to remove the area which will be occupied by the PTC transit substation. The Agency will also relinquish its right under the Option Agreement to lease the area where the substation will be constructed, so that the PTC and the Port can enter into a the MOU for the substation. The ILWU Lease Modification Agreement is subject to approval by the Board of Supervisors, pursuant to Charter Section 7.402-1.

The San Francisco Port Commission ("Port") staff and the San Francisco Public Transportation Commission ("PTC") staff have negotiated a Memorandum of Understanding ("MOU") which allows the PTC to construct a transit substation on a portion of Sea Wall Lot 334, which is bounded by the Embarcadero, Berry Street, Second Street and King Street. The substation will support municipal transit facilities in connection with the extension of MUNI metro from Embarcadero Street to Sixth Street. The term of the MOU is for fifty-five years, expiring on December 31, 2050. PTC has agreed to pay the Port a one-time lump sum payment for use of the property, in the amount of $185,000.00, payable upon execution of the MOU.

The attached Resolutions (i) approve the assignment of the ILWU Lease to the Agency; (ii) approve the Lease Modificaiton Agreement to the amendment of the ILWU Lease between the Agency and the ILWU; (iii) authorize the Executive Director to execute a Letter of Understanding with the Agency regarding Parcel M; and (iv) approve the MOU between the Port and the PTC for the construction and operation of the transit substation.

Prepared by: FREDERICK D. WHITE

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-154

WHEREAS, The San Francisco Port Commission ("Port") has exclusive control and jurisdiction over certain City-owned real property bounded by the Embarcadero, Berry Street, Second Street, and King Street, known as San Francisco Port Sea Wall Lot 334 ("Sea Wall Lot 334").

WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the "Agency") holds an option to lease Sea Wall Lot 334 under an Option Agreement dated September 26, 1984 between the Port and the Agency. The Agency intends to construct a public park on portions of Sea Wall Lot 334, exclusive of an area which will be occupied by a transit substation, in accordance with the redevelopment plan for the Rincon Point - South Beach Redevelopment Project Area.

WHEREAS, The Port leases a portion of Sea Wall Lot 334 to the Ship Clerks Memorial Hall Association and the Ship Clerks Association, I.L.W.U., Local 34, pursuant to a lease dated December 1, 1970 (the "ILWU Lease").

WHEREAS, Pursuant to the Option Agreement, the Agency anticipates leasing Parcel M-4 from the Port. In accordance with the Option Agreement, the Port desires to assign the ILWU Lease to the Agency, effective upon the Agency's lease of Parcel M-4.

WHEREAS, Upon assignment of the ILWU Lease, the Agency anticipates entering into an amendment of the ILWU Lease and the Port desires to consent to such amendment; NOW, THEREFORE, BE IT

RESOLVED, That the Executive Director is hereby authorized to execute an Assignment and Assumption Agreement in substantially the form attached hereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

[I:\user...\wp51\jvn\swl334bd.rso]

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-155

WHEREAS, The San Francisco Port Commission ("Port") has exclusive control and jurisdiction over certain City-owned real property bounded by the Embarcadero, Berry Street, Second Street, and King Street, known as San Francisco Port Sea Wall Lot 334 ("Sea Wall Lot 334").

WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the "Agency") holds an option to lease Sea Wall Lot 334 under an Option Agreement dated September 26, 1984 between the Port and the Agency. The Agency intends to construct a public park on portions of Sea Wall Lot 334, exclusive of an area which will be occupied by a transit substation, in accordance with the redevelopment plan for the Rincon Point - South Beach Redevelopment Project Area.

WHEREAS, The Port leases a portion of Sea Wall Lot 334 to the Ship Clerks Memorial Hall Association and the Ship Clerks Association, I.L.W.U., Local 34, pursuant to a lease dated December 1, 1970 (the "ILWU Lease").

WHEREAS, Pursuant to the Option Agreement, the Agency anticipates leasing Parcel M-4 from the Port. In accordance with the Option Agreement, the Port desires to assign the ILWU Lease to the Agency, effective upon the Agency's lease of Parcel M-4.

WHEREAS, Upon assignment of the ILWU Lease, the Agency anticipates entering into an amendment of the ILWU Lease and the Port desires to consent to such amendment; NOW, THEREFORE, BE IT

RESOLVED, That the Executive Director is hereby authorized to execute a Lease Modification Agreement in substantially the form attached hereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

[I:\user...\wp51\jvn\swl334bd.rso]

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-156

WHEREAS, The San Francisco Port Commission ("Port") has exclusive control and jurisdiction over certain City-owned real property bounded by the Embarcadero, Berry Street, Second Street, and King Street, known as San Francisco Port Sea Wall Lot 334 ("Sea Wall Lot 334").

WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the "Agency") holds an option to lease Sea Wall Lot 334 under an Option Agreement dated September 26, 1984 between the Port and the Agency. The Agency intends to construct a public park on portions of Sea Wall Lot 334, exclusive of an area which will be occupied by a transit substation, in accordance with the redevelopment plan for the Rincon Point - South Beach Redevelopment Project Area.

WHEREAS, The San Francisco Public Transportation Commission ("PTC") and Port anticipate entering into a Memorandum of Understanding to allow the construction of a transit substation on a portion of Sea Wall Lot 334 and to operate the substation to support municipal transit facilities in connection with the extension of MUNI metro from Embarcadero Street to Sixth Street, and the Agency is willing to relinquish that portion of Parcel M-4-C to allow such use.

WHEREAS, The Agency has agreed to irrevocably relinquish its right under the Option to Lease that portion of Parcel M-4-C. Pursuant to Section 4(c)(ii) of the Option, the Agency's Minimum Annual Rent (as defined in the Option) payment to the Port for its lease of Parcel M shall be reduced to $3,303.57; NOW, THEREFORE, BE IT

RESOLVED, That the San Francisco Port Commission hereby authorizes the Executive Director to execute a Letter of Understanding with the Agency regarding Parcel M in substantially the form attached hereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

[I:\user...\wp51\jvn\swl334bd.rso]

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-157

WHEREAS, The San Francisco Port Commission ("Port") has exclusive control and jurisdiction over certain City-owned real property bounded by the Embarcadero, Berry Street, Second Street, and King Street, known as San Francisco Port Sea Wall Lot 334 ("Sea Wall Lot 334").

WHEREAS, The San Francisco Public Transportation Commission ("PTC") desires to enter into a Memorandum of Understanding with the Port to construct a transit substation on a portion of Sea Wall Lot 334 and to operate the substation to support municipal transit facilities in connection with the extension of MUNI metro from Embarcadero Street to Sixth Street, and the Port is willing to allow such use; NOW, THEREFORE, BE IT

RESOLVED, That the San Francisco Port Commission hereby authorizes the Executive Director to execute a Memorandum of Understanding in substantially the form attached hereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

[I:\user...\wp51\jvn\swl334bd.rso]

PORT OF SAN FRANCISCO

MEMORANDUM

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Writer

December 13, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval to enter into a professional services contract with Levine-Fricke, AGS, Inc.; a Joint Association, for architecture and engineering services for the Pier 98 Wetlands and Open Space Project.

DIRECTOR'S RECOMMENDATION: AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH LEVINE-FRICKE, AGS, INC.; A JOINT ASSOCIATION, FOR ARCHITECTURE AND ENGINEERING SERVICES FOR THE PIER 98 WETLANDS AND OPEN SPACE PROJECT.

Project Description
The Pier 98 Wetlands and Open Space Project is the result of a negotiated agreement between the Port Commission and the San Francisco Bay Conservation and Development Commission. The project requires technical design services for landfill closure, wetlands enhancement, shoreline erosion control and landscape architecture.

On October 27, 1993 the Port Commission approved Resolution No. 93-143 which authorized the staff to issue a Request for Proposals (RFP) for architecture and engineering design services for the Pier 98 Wetlands and Open Space Project, and to enter into negotiations with the highest ranked consultant identified through the RFP process. Due to an irregularity in the initial RFP process, on March 4, 1994 the Port Commission approved Resolution No. 94-46 which authorized the staff to reject all proposals received and issue a new RFP for the project.

THIS PRINT COVERS CALENDAR ITEM NO. 6A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-147

WHEREAS, The Pier 98 Wetlands and Open Space project is the result of a negotiated agreement between the Port Commission and the San Francisco Bay Conservation and Development Commission; and

WHEREAS, the Pier 98 Wetlands and Open Space project requires technical design services for landfill closure, wetlands enhancement, shoreline erosion control and landscape architecture; and

WHEREAS, the Port Commission approved Resolution No. 93-143 on October 27, 1993, which authorized Port staff to issue a Request for Proposals (RFP) for technical design services in the Pier 98 Wetlands and Open Space project and also authorized the staff to enter into negotiations with the highest ranked consultant identified through the RFP process; and

WHEREAS, due to an irregularity in the initial RFP process, on March 4, 1994 the Port Commission approved Resolution No. 94-46 which authorized the staff to reject all proposals received and issue a new RFP for the project; and

WHEREAS, the Port staff issued the second RFP for technical design services on the Pier 98 Wetlands and Open Space project on July 5, 1994; and

WHEREAS, the RFP established disadvantaged minority (MBE) and women business enterprise (WBE) subconsulting goals of 16 percent and 7 percent, respectively; and

WHEREAS, the Port undertook all good faith efforts to provide MBEs and WBEs with an opportunity to submit a proposal or participate on a team as subconsultants; and

WHEREAS, the Port received 7 proposals by the due date of August 2, 1994, 3 of which were submitted by MBE joint ventures and all of which met or exceeded the MBE/WBE subconsulting goals established in the RFP; and

WHEREAS, a selection panel comprised of Port staff, City staff and private individuals evaluated the written proposals according to the criteria that were outlined in the RFP, and conducted an oral interview with the 4 highest ranking consultant teams; and

WHEREAS, the team led by Levine-Fricke in association with AGS, Inc. received the highest score following the oral interview by the selection panel; and

ATTACHMENT A

Proposals Submitted for the Pier 98 Wetlands Enhancement Project

LEAD FIRMS	SUBCONSULTANTS
* CH2M HILL	Merrill & Associates, AGS, Inc., Manna Consultants
* Woodward-Clyde and Olivia Chen, MBE joint venture	Robert Larocca Associates, Adrienne Wong Associates, Tycadd Corporation, ACRES Consulting Engineers, Mara Feeney & Associates
* Levine-Fricke and AGS, Inc., MBE joint venture	Joshua Collins Ph.D., Keller, Mitchell and Caronna, Noble Consultants, The Ellington Group, Arcost/CPM Group, Tycadd, The Copy Factory
Questa Engineering	Keller Mitchell and Caronna, Geotechnical Consultants, Charles Rauw Consulting Engineers, Michael Marangio Biological Consulting
Roger Foott Associates	Biosystems Analysis Inc., Charles Rauw Consulting Engineers, Patricia O'Brien Landscape Architecture, ACRES Consulting Engineers, SCA Environmental, HEW Drilling Company
* Moffatt & Nichol and Stevens and Associates, MBE joint venture	Harding Lawson, Wetlands Research, Trans Pacific Geotechnical, Nishita & Carter, Draftix
IT Corporation	Philip Williams & Associates Ltd., Wetlands Research, Keller Mitchell and Caronna, Tycadd, Geotechnical Consultants

* Teams selected for oral interview

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MEMORANDUM

December 13, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Request for approval for the Executive Director to sign an agreement with Pacific Gas and Electric Company for an underground electric line extension at Pier 45, with said agreement containing a clause which requires the Port to indemnify PG&E

DIRECTOR'S RECOMMENDATION: DIRECTOR RECOMMENDS THAT THE COMMISSION AUTHORIZE THE EXECUTIVE DIRECTOR TO SEEK APPROVAL OF THE SAN FRANCISCO BOARD OF SUPERVISORS AND SUBSEQUENTLY SIGN AN AGREEMENT WITH PG&E WHICH REQUIRES THE PORT TO INDEMNIFY PG&E

In order for the Pacific Gas and Electric Company to install the necessary electrical equipment at Pier 45 to provide the upgraded electrical power to that facility, the Port must sign an agreement with that utility company. The agreement includes a clause which requires the Port to indemnify PG&E, its agents, officers and employees against claim or loss for damage to property or injury to persons arising out of or in connection with with their performance of said agreement. In order for Port staff to sign this agreement, apporoval must first be obtained from the Port Commission and the San Francisco Board of Supervisors.

THIS PRINT COVERS CALENDAR ITEM NO. 6B

Prepared by: Emilio R. Cruz

agd-PG&E.cj

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-144**

WHEREAS, the current improvements to Pier 45 include the installation of an underground electric service to be performed by the Pacific Gas and Electric Company (PG&E); and

WHEREAS, in order for PG&E to perform that work, an agreement must be signed between the Port and PG&E; and

WHEREAS, the agreement includes a clause which requires the Port to indemnify PG&E, its agents, officers and employees against claim or loss for damage to property or injury to persons arising out of or in connection with the PG&E's performance of said agreement; and

WHEREAS, in order for the Port staff to sign this agreement with this indemnity clause, approval must first be obtained from the Port Commission and the San Francisco Board of Supervisors; therefore be it

RESOLVED, that the Commission herby authorizes the Executive Director to sign the subject PG&E agreement pending the proper approval is obtained from the San Francisco Board of Supervisors.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

agd-PG&E.cj

PORT OF SAN FRANCISCO

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MEMORANDUM

December 13, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Request for approval for the Executive Director to sign an agreement with Pacific Gas and Electric Company for installation of a gas distribution facility at Pier 45, with said agreement containing a clause which requires the Port to indemnify PG&E

DIRECTOR'S RECOMMENDATION: DIRECTOR RECOMMENDS THAT THE COMMISSION AUTHORIZE THE EXECUTIVE DIRECTOR TO SEEK APPROVAL OF THE SAN FRANCISCO BOARD OF SUPERVISORS AND SUBSEQUENTLY SIGN AN AGREEMENT WITH PG&E WHICH REQUIRES THE PORT TO INDEMNIFY PG&E

In order for the Pacific Gas and Electric Company to install the necessary gas service at Pier 45, the Port must sign an agreement with that utility company. The agreement includes a clause which requires the Port to indemnify PG&E, its agents, officers and employees against claim or loss for damage to property or injury to persons arising out of or in connection with with their performance of said agreement. In order for Port staff to sign this agreement, approval must first be obtained from the Port Commission and the San Francisco Board of Supervisors.

THIS PRINT COVERS CALENDAR ITEM NO. 6C

Prepared by: Emilio R. Cruz

agd-GAS.cj

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-145**

WHEREAS, the current improvements to Pier 45 include the installation of a gas service to be performed by the Pacific Gas and Electric Company (PG&E); and

WHEREAS, in order for PG&E to perform that work, an agreement must be signed between the Port and PG&E; and

WHEREAS, the agreement includes a clause which requires the Port to indemnify and hold harmless PG&E, its officers, agents and employees against all loss, damage, expense and liability resulting from injury to or death of any person, including but not limited to, employees of PG&E, Port or any third party, or for the loss, destruction or damage to property, including, but not limited to property of PG&E, Port or any third party, arising out of or in any way connected with the performance of said agreement, however caused, except to the extent caused by the active negligence or willful misconduct of PG&E, its officers, agents and employees; the Port will, on PG&E's request, defend any suit asserting a claim covered by this indemnity; Port will pay all costs that may be incurred by PG&E in enforcing said indemnity, including reasonable attorney's fees; and

WHEREAS, in order for the Port staff to sign this agreement with this indemnity clause, approval must first be obtained from the Port Commission and the San Francisco Board of Supervisors; therefore be it

RESOLVED, that the Commission herby authorizes the Executive Director to sign the subject PG&E agreement pending the proper approval is obtained from the San Francisco Board of Supervisors.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

agd-GAS.cj

PORT OF SAN FRANCISCO

MEMORANDUM

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December 19, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Michael Hardeman
Hon. Frankie G. Lee
Hon. Francis J. O'Neill

FROM: Dennis P. Bouey, Executive Director DPB

SUBJECT: Authorizing the Executive Director to Execute a Second Amendment to San Francisco Bay Conservation and Development Commission (BCDC) Permit 8-90 for Public Access and Indemnification.

DIRECTOR'S RECOMMENDATION: AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE A SECOND AMENDMENT TO BCDC PERMIT 8-90.

The Port Commission has reviewed and approved the Waterfront Transportation projects (north and south segments) on numerous occasions. Port Counsel is now advising that the Commission review and approve for execution a second amendment to BCDC permit 8-90 and a concurrent public access agreement. This amendment was submitted in cooperation with the City's Chief Administrative Officer as co-permittee.

The second amendment to BCDC permit 8-90 involves widening, on a temporary basis, the through lanes of the Embarcadero to allow for enhanced traffic and pedestrian circulation during the construction of the Muni Metro-Turnback. As part of the amendment, BCDC has requested that the City and the Port indemnify it from any liability claims associated with the contemplated improvements.

Prepared by: Emilio Cruz
THIS PRINT COVERS CALENDAR ITEM NO. 6D

Port Staff is also requesting the Commission authorize the Executive Director to execute a public access dedication document associated with the Waterfront Transportation projects. The document will dedicate by a metes and bounds description in excess of 100,000 square feet as public access. The document will be recorded with the County Recorders office as an official description of public access along the waterfront. The public access agreement also includes a maintenance provision associated with all public improvements associated with the Waterfront Transportation projects. The maintenance requirement allows the Executive Director of BCDC to notify the Port and/or City of potential violations of the permit should the access area fall into a state of dis-repair. The provision requires a response to the notice within 30 days or be subject to fines.

Prepared by: Emilio Cruz
THIS PRINT COVERS CALENDAR ITEM NO. 6D

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

Resolution # 94-148

WHEREAS, the Chief Administrative Officer of the City and County of San Francisco (CAO), the Port of San Francisco (Port) and the San Francisco Bay Conservation and Development Commission (BCDC) are all parties to the BCD permit 8-90, permitting the construction of the Waterfront Transportation Projects along the San Francisco waterfront; and

WHEREAS, the CAO and the Port are requesting an amendment to the BCDC permit to allow for certain temporary construction improvements as part of the Muni Metro Turnback project to improve traffic and pedestrian flows; and;

WHEREAS, BCDC is requiring that the amendment indemnify BCDC and the State for any and all liability associated with the contemplated improvements;

WHEREAS, BCDC is also requiring that all improvements to the promedade associated with the Waterfront Transportation projects within its jurisdiction be dedicated as public access; therefore be it

RESOLVED, That the Port Commission does hereby authorize the Executive Director of the Port to execute the second amendment to BCDC permit 8-90, upon authorization of the indemnification agreement from the Board of Supervisors; and be it further

RESOLVED, that the Commission does hereby authorize the Executive Director to execute the public access recording document as part of the BCDC permit.

I hereby certify that the foregoing resolution was adopted by the Port Commissio at its meetig of December 19, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

December 8, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Authorization to assign the Marine Terminal Agreement with Naviera Interamericana Navicana S.A. (Navicana) to The Pacific Steam Navigation Company (Pacific Steam)

DIRECTOR'S RECOMMENDATION: RESOLUTION TO APPROVE THE AUTHORIZATION TO ASSIGN THE MARINE TERMINAL AGREEMENT WITH NAVIERA INTERAMERICANA NAVICANA S.A. TO THE PACIFIC STEAM NAVIGATION COMPANY

The Port entered into a Marine Terminal Agreement with Navicana on July 1, 1990.

Navicana has been purchased by Hamburg-Sud, the parent of Columbus Line. Pacific Steam is also owned by Hamburg-Sud and is now operating the South American service. Navicana has asked the Port to assign their Marine Terminal Agreement to Pacific Steam.

Under the assignment, all rights and obligations of Navicana are assigned to Pacific Steam.

Prepared by: Frederick D. White, Director, Tenant and Maritime Services

THIS PRINT COVERS CALENDAR ITEM NO. 9A

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-152

WHEREAS, Port and Naviera Interamericana Navicana S.A. (Navicana) entered into a Marine Terminal Agreement which became effective on July 1, 1990. Said Agreement granted Navicana reduced charges in return for the utilization by Navicana of the South Container Terminal as its regularly scheduled Northern California port of call. The Federal Maritime Commission allowed the Agreement to become effective and numbered the Agreement "FMC 224-200375"; and

WHEREAS, Navicana has been acquired by the Hamburg-Sud and is operated by Pacific Steam Navigation Company (Pacific Steam), trading as Columbus Line; and

WHEREAS, the parties desire to assign the rights and obligations of Navicana to Pacific Steam;

RESOLVED, that the San Francisco Port Commission has approved the Assignment of Marine Terminal Agreement with Navicana to the Pacific Steam Navigation Company, trading as Columbus Line, and has authorized the Executive Director (i) to enter into such assignment, (ii) make any necessary refinements to the assignment without making any substantive changes to the assignment and (iii) file the assignment with the Federal Maritime Commission.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

December 8, 1994

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TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director DPB

SUBJECT: Authorization to amend the three Marine Terminal Agreements with Compania Sud Americana de Vapores, Flota Mercante Grancolombiana, and The Pacific Steam Navigation Company to extend their terms, to provide for five one-year options, to adjust the compensation to take into account the total cargo of the Serpac group and to provide the Port with termination right if the terminal operator ceases operations

DIRECTOR'S RECOMMENDATION: RESOLUTION TO APPROVE THE AUTHORIZATION TO AMEND THE THREE MARINE TERMINAL AGREEMENTS WITH COMPANIA SUD AMERICANA DE VAPORES, FLOTA MERCANTE GRANCOLOMBIANA, AND THE PACIFIC STEAM NAVIGATION COMPANY TO EXTEND THEIR TERMS, TO PROVIDE FOR FIVE ONE-YEAR OPTIONS, TO ADJUST THE COMPENSATION TO TAKE INTO ACCOUNT THE TOTAL CARGO OF THE SERPAC GROUP AND TO PROVIDE THE PORT WITH A TERMINATION RIGHT IF THE TERMINAL OPERATOR CEASES OPERATIONS

The Port entered into a Marine Terminal Agreement with Compania Sud-Americana de Vapores on November 16, 1990, with Flota Mercante Grancolombiana on May 1, 1990 and with Naviera Interamericana Navicana S.A. on July 1, 1990 which has been assigned to the Pacific Steam Navigation Company on December 19, 1994.

(continued on Page 2)

THIS PRINT COVERS CALENDAR ITEM NO. 9B

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-153

WHEREAS, Port and Compania Sud-Americana de Vapores (CSAV) entered into a Marine Terminal Agreement which became effective on November 16, 1990; and

WHEREAS, Port and Naviera Interamericana Navicana S.A. (Navicana) entered into a Marine Terminal Agreement which became effective on July 1, 1990 and which was amended on July 16, 1992 and which was assigned to the Pacific Steam Navigation Company (Pacific Steam), trading as Columbus Line (Columbus), on December 19, 1994; and

WHEREAS, Port and Flota Mercante Grancolombiana, S.A. (Granco) entered into a Marine Terminal Agreement which became effective on May 1, 1990; and

WHEREAS, CSAV, Columbus and Granco are collectively known as the Serpac Group of Carriers; and

WHEREAS, said agreements granted the individual Serpac members reduced dockage and wharfage charges on a volume scale as set forth in the Agreement in return for the utilization of the Carriers of the South Container Terminal as its regularly scheduled Northern Californian port of call; and

WHEREAS, the parties desire to amend the Agreements in order to extend the terms to expire on the common date of November 30, 1995, to provide for five one-year options, to provide for reduced dockage and wharfage charges based on the combined volumes of the Serpac Group and to provide a termination right to the Port in the event the Management Contractor ceases operations, effective with vessel calls after May 1, 1994;

RESOLVED, that the San Francisco Port Commission has approved the First Amendment to Marine Terminal Agreement with Compania Sud Americana de Vapores, the Second Amendment to Marine Terminal Agreement with Pacific Steam Navigation Company and the First Amendment to Marine Terminal Agreement with Flota Mercante Grancolombiana and has authorized the Executive Director (i) to enter into such amendments, (ii) make any necessary refinements to the amendments without making any substantive changes to the amendments and (iii) file the amendments with the Federal Maritime Commission.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

December 1, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of First Amendment to Marine Terminal Agreement with Maruba S.C.A. to allow Maruba to transfer vessel operations from North Container Terminal to South Container Terminal and to provide an additional termination right for the Port

DIRECTOR'S RECOMMENDATION: RESOLUTION TO APPROVE THE FIRST AMENDMENT TO MARINE TERMINAL AGREEMENT WITH MARUBA S.C.A. TO ALLOW MARUBA TO TRANSFER VESSEL OPERATIONS FROM NORTH CONTAINER TERMINAL TO SOUTH CONTAINER TERMINAL AND TO PROVIDE AN ADDITIONAL TERMINATION RIGHT FOR THE PORT

The Port concluded a Marine Terminal Agreement with Maruba S.C.A. which became effective March 2, 1991. They have two vessels with an approximate forty day frequency. They serve South America and the U.S. West Coast. Based on the recent closure of North Container Terminal, both parties desire to amend the Agreement to allow Maruba to transfer vessel operations to South Container Terminal. The amendment also includes a provision which would allow the Port to terminate the Agreement if the terminal operator ceases to provide services.

Prepared by: Frederick D. White, Director, Tenant and Maritime Services

THIS PRINT COVERS CALENDAR ITEM NO. 9C

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-149

WHEREAS, Port and Maruba entered into a Marine Terminal Agreement which became effective on March 2, 1991. Said Agreement granted Maruba reduced dockage and wharfage charges on a volume scale as set forth in the Agreement in return for the utilization by Maruba of the North Container Terminal as its regularly scheduled Northern California port of call. The Federal Maritime Commission allowed the Agreement to become effective and numbered the Agreement "224-200479"; and

WHEREAS, the parties desire to enter into this First Amendment to allow Maruba to transfer vessel operations from North Container Terminal to South Container Terminal;

RESOLVED, that the San Francisco Port Commission has approved the First Amendment to Marine Terminal Agreement with Maruba and has authorized the Executive Director (i) to enter into such an amendment, (ii) make any necessary refinements to the amendment without making any substantive changes to the amendment and (iii) file the amendment with the Federal Maritime Commission.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
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MEMORANDUM

December 8, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Consent to assign the Lease L-11968 ("license") with Southwest Marine Inc. to San Francisco Drydock Inc., commonly controlled corporations, generally located at 20th and Illinois Streets

DIRECTOR'S RECOMMENDATION: APPROVE THE ASSIGNMENT OF LEASE L-11968 (LICENSE) WITH SOUTHWEST MARINE INC. TO SAN FRANCISCO DRYDOCK INC. COMMONLY CONTROLLED CORPORATIONS, GENERALLY LOCATED AT 20TH AND ILLINOIS STREETS

Southwest Marine, Inc. operates a ship repair facility in the general area of Illinois and Twentieth Streets. They occupy the site pursuant a recently amended lease and a new month-to-month lease ("license") agreement. Southwest has advised the Port of its intention to assign their interests in the lease and the "license" to San Francisco Drydock (SFD), Inc., a commonly controlled corporation. The lease allows for this action and the Port's consent is not required. The assign of the "license" does require the consent of the Port.

Southwest Marine believes that a separate corporate identity for their San Francisco shipyard will enhance their position in the Bay Area commercial ship repair marketplace. This will allow them to better focus advertising and marketing efforts.

Staff has obtained information confirming the common control of the two corporations. We have also received financial information regarding the viability of the San Francisco Drydock and find that SFD has sufficient resources to secure payment of the rent. In any event, the Assignment of the license does not legally release Southwest Marine from its obligations under the license.

Prepared by: Frederick D. White, Director, Tenant and Maritime Services

THIS PRINT COVERS CALENDAR ITEM NO. 9D

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-150

WHEREAS, by Lease L-11968 dated June 14, 1994 ("license"), Southwest Marine, Inc. (Tenant) leased from the Port 243,884 sq. ft. of industrial space at Pier 70/SWL 349 in the city and County of San Francisco, State of California, and more particularly described in Exhibit "A" of said Lease; and

WHEREAS, Paragraph 21 of the "license" provides that Tenant may, subject to Port Commission approval, assign the "license" subject to certain conditions; and

WHEREAS, Tenant has met the conditions specified by the "license" and accordingly requests approval to assign the "license" to San Francisco Drydock Inc. commonly controlled corporations, generally located at 20th and Illinois Streets,

RESOLVED, that this Commission consents to that certain assignment by Southwest Marine Inc. to San Francisco Drydock Inc. commonly controlled corporations, dated September 29, 1994, copies of which are on file with the Commission secretary.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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Cable SFPORTCOMM
Writer

MEMORANDUM

December 1, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Ratification and approval of a three-month extension of the Management Agreement with Marine Terminals Corporation at Pier 27/29

DIRECTOR'S RECOMMENDATION: RESOLUTION TO APPROVE A THREE-MONTH EXTENSION OF THE MANAGEMENT AGREEMENT WITH MARINE TERMINALS CORPORATION UPON THE SAME TERMS AND CONDITIONS AS ARE CONTAINED IN THE ORIGINAL MANAGEMENT AGREEMENT AS AMENDED

In January 1984 the Port entered into a management agreement with Marine Terminals Corp. for Pier 27/29. This terminal handles primarily import newsprint.

The initial five-year term of the agreement has been extended and will expire on December 31, 1994. The agreement is still being negotiated and needs to be extended to provide for continuity of service to the newsprint importers. The staff will require an extension until March 31, 1995.

To become effective, this extension is required to be filed with the Federal Maritime Commission.

Prepared by: Frederick D. White, Director, Tenant and Maritime Services

THIS PRINT COVERS CALENDAR ITEM NO. 9E

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-151

WHEREAS, Port and Management Contractor have previously entered into a Non-Exclusive Management Agreement dated January 5, 1984 (the "Agreement"); and

WHEREAS, the Agreement was approved by the Federal Maritime Commission on March 9, 1984, "FMC 224-004161" and therefore became effective on April 1, 1984; and

WHEREAS, the Port and Management Contractor subsequently amended the Agreement; and

WHEREAS, the Third Amendment will expire on December 31, 1994; and

WHEREAS, the Agreement provides for an extension of the term of the Agreement upon such conditions as are mutually agreed between the parties; and

WHEREAS, the parties desire to extend the term of the Agreement upon the terms and conditions set forth in this Extension;

RESOLVED, that this Commission approves the Sixth Extension of the Management Agreement between Marine Terminals Corp. and authorizes the Executive Director to make any necessary refinements of language without making any substantive changes and to file the extension with the Federal Maritime Commission.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
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Cable SFPORTCOMM
Writer

December 13, 1994

TO: **MEMBERS, PORT COMMISSION**
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Francis J. O'Neill
Hon. Frankie G. Lee
Hon. Michael Hardeman

FROM: **Dennis P. Bouey**
Executive Director DPB

SUBJECT: **Approving a Declaration of Emergency for Pier 35, Replacement of Fender System**

DIRECTOR'S RECOMMENDATION: DIRECTOR RECOMMENDS THAT THE COMMISSION APPROVE THE DECLARATION OF AN EMERGENCY TO ALLOW THE PURCHASE OF PLASTIC PILES TO REPLACE THE PIER 35 FENDER SYSTEM

Pier 35 is the berthing location for visiting cruise ships. During a recent inspection, it was identified that the fender system for the pier has deteriorated to the point of serious disrepair. This condition creates a safety problem for cruise ships as well as potential liability for the Port.

It has been a long time practice of this Port, as well as many others, to use wooden piles to support both the finger piers and their fender systems. These piers are traditionally coated with creosote, a chemical which combats the normal wear and tear of wooden piles. When approached regarding pile work, the Regional Water Quality Control Board (RWQCB) informed us that it would no longer permit the installation of wooden piles coated with creosote because they were considering outlawing their use in the Bay.

We have identified a pile composed of plastic material that is acceptable to the RWQCB; however, it will require up to 90 days to deliver the product. With the first cruise ships arriving at the end of April, it is imperative that we begin the procurement of the plastic piles immediately to ensure a safe berthing condition.

Funds for the Pier 35 fender replacement will come from the Port's 1994 Bond proceeds. The materials for the fender replacement are estimated at $230,000.

Prepared by: Emilio R. Cruz

THIS PRINT COVERS CALENDAR ITEM NO. 9F

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **94-146**

WHEREAS, the fender system at Pier 35 has deteriorated to the point that it presents a threat to public health and safety; and

WHEREAS, this is extremely dangerous since Pier 35 is used to berth visiting cruise ships and the first cruise ships arrive at this pier at the end of April, 1995; and

WHEREAS, the Regional Water Quality Control Board (RWQB) indicated that it will no longer permit the installation of wooden piles coated with creosote and further is considering outlawing this product completely; and

WHEREAS, creosote piles have been the standard used by the Port of San Francisco and other ports for many years; and

WHEREAS, Port engineering staff has been analyzing substitute piles to find the most suitable replacement and selected at a plastic pile for replacement of the Pier 35 fender system; and

WHEREAS, given that the plastic pile is a relatively new product on the market with limited actual use, the pile substitute process has taken some time; and

WHEREAS, the replacement of the fender system, which will create a safe berthing condition will require 14 weeks after piles are received, and

WHEREAS, purchasing of plastic piles can be done on an emergency basis in accordance with Section 6.30 of the San Francisco Administrative Code, therefore be it

RESOLVED, that the Commission ratify the action of the President of the Commission contained in the letter to the Controller dated December 13, 1994.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 19, 1994.

_____
Secretary

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PORT OF SAN FRANCISCO

MEMORANDUM

Ferry Building
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Writer

December 12, 1994

TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Anne Halsted, Vice President
Hon. Frankie G. Lee
Hon. Francis J. O'Neill
Hon. Michael Hardeman

FROM: Dennis P. Bouey
Executive Director

SUBJECT: Approval of Two (2) Leases with Bruce Waygood, an individual, dba Flipway Products, for Shed Space, Walled Shed Space and Outside Storage Space at Pier 46B.

DIRECTOR'S RECOMMENDATION: APPROVE LEASES WITH BRUCE WAYGOOD, AN INDIVIDUAL, DBA FLIPWAY PRODUCTS

Flipway Products, presently leases 4,525 square feet of shed space, 1,525 square feet of walled shed space, and 4,500 square feet of outside storage space at Pier 46B pursuant to two month-to-month License Agreements. Flipway Products is a Ship's Chandlery Operation. Port Staff and Flipway Products have negotiated two new leases incorporating the Port's standard language to replace the older License Agreements. The terms of the proposed Leases are as follows:

Lease No. L-11937

Premises: 4,525 square feet of shed space

Term: Five (5) years

Rent: Year 1 - $1,131.25 per month ($.25 p.s.f.)
Year 2 - $1,357.50 per month ($.30 p.s.f.)
Year 3 - $1,583.75 per month ($.35 p.s.f.)
Annual CPI increases thereafter

THIS PRINT COVERS CALENDAR ITEM NO. 9G

The proposed rent represents an increase in the first year of $457.85 per month or $5,494.20 annually; $684.10 per month or $8,209.20 annually for the second year and $940.35 per month or $11,284.20 annually for the third year.

Commission approval is required to approve a two year phase-in from the current rental rate of $.149 per square foot to the third year rental rate of $.35 per square foot. The Port's current standard lease rate parameters for shed space is $.35.

Lease No. L-11938

Premises:	1,525 square feet of Walled Shed Space 4,500 square feet of Outside Storage Space
Term:	Five (5) years
Rent:	Year 1 - $983.75 per month ($.16 p.s.f. - blended) Year 2 - $1,285.00 per month ($.21 p.s.f. - blended) Year 3 - $1,572.50 per month ($.26 p.s.f. - blended) Annual CPI increases thereafter

The proposed rent represents an increase in the first year of $176.48 per month or $2,117.76 annually; $477.73 per month or $5,732.76 annually for the second year and $765.23 per month or $9,182.76 annually for the third year.

Commission approval is required to approve a two year phase-in from the current rental rate of $.134 (blended ($.07 open space; $.30 walled shed space) square foot to the third year rental rate of $.26 (blended ($.15 open space; $.59 walled shed). The Port's current standard lease rate parameters for this space is $.20 blended ($.15 open space; $.50 walled shed).

Port staff believes that the two year phase-in to plan the higher rates are necessary to permit this long term Port maritime tenant the opportunity to more easily absorb what would otherwise be a significant rental increase.

Prepared by: Frederick D. White, Director, Tenant & Maritime Services

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94-159

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for Lease No. L-11937 with Bruce Waygood, an individual, Flipway Products as Tenant; therefore be it

RESOLVED, That the Port Commission hereby approves the business terms of those certain leases as set forth in the Memorandum of Agenda Item 9G for the Commission meeting on December 19, 1994 and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of DECEMBER 19, 1994

_____
Secretary

I:\...\agendas\flipway\ND\cp\November 22, 1994

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 94- 160

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, Under Charter Section 3.581(g) leases and franchises granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, Port Commission approval is being sought for Lease No. L-11938 with Bruce Waygood, an individual, Flipway Products as Tenant; therefore be it

RESOLVED, That the Port Commission hereby approves the business terms of those certain leases as set forth in the Memorandum of Agenda Item 9G for the Commission meeting on December 19, 1994 and hereby authorizes the Executive Director of the Port to execute the same on behalf of the Port.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of DECEMBER 19, 1994

_____
Secretary

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SAN FRANCISCO PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
DECEMBER 19, 1994

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1. **ROLL CALL**

The meeting was called to order by Commission President Preston Cook at 4:07 p.m. The following Commissioners were present: Preston Cook, Anne Halsted, Frankie Lee and Michael Hardeman. Commissioner Francis O'Neill arrived at 4:09 p.m.

2. APPROVAL OF MINUTES - November 21, 1994 Minutes

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; minutes of the November 21, 1994 meeting were adopted.

3. **EXECUTIVE**

A. Executive Director's Report

Mr. Bouey reported on the following items:

1) Through the hard work and efforts of Veronica Sanchez, the Port has been awarded by the State Office of Trade and Commerce a $250,000 defense conversion grant for the repair of the cranes at the shipyard; this grant will match a federal grant of $1.5 million which is in the approval process by the federal government.

2) Mr. Bouey stated that the Sedway report is now complete. The purpose of the report is to study the feasibility of a fishery center at Pier 45; to study the different component parts that would comprise such a facility; and to study the financial viability of the center. It was a premise of the study that if it were determined that a fishery center was not found to be feasible that the report would still be considered a success. There were two public hearings held on the matter. The bottom line is that a fishery center is quite expensive and would probably be expensive to implement despite the public support for the project. The Sedway report revealed that the fishery center requires a developer subsidy ranging from $4.2 to almost $6 million to create the shell of the fishery center and to develop public areas. In addition, a capital requirement of between $16-$18 million is required to actually construct the fishery center. This capital requirement anticipates that there would be no return on investment. Even with those investments, the center still would lose between $800,000 to $1 million a year. With the Port currently realizing surpluses of only $400,000-$500,000 a year and the backlog of work necessary for other Port facilities, a subsidy, at the moment, is unrealistic.

Mr. Bouey further noted that he received a call from a journalist who commented that some merchants adjacent to the fisherman's wharf area felt that the Port may have misspent its money on this study. The reasons were twofold: first, the Port had no right to spend any monies looking at the financial viability of a fishery center as we were limited to looking at components involved with a fishery center. Mr.

Bouey noted that, clearly, to do any feasibility study, one has to look at finances in order to make a responsible decision. More importantly, the grant application required an examination of the financial feasibility of such an operation. Secondly, there were concerns expressed by merchants adjacent to the Fisherman's Wharf area with regard to retail being introduced at Pier 45. Mr. Bouey understands the legitimate concerns of the people who run the retail operations on the fisherman's wharf area. The fact of the matter is we looked at just not the retail in conjunction with the fishery center but also other uses as well such as office space, conference centers, etc. These options were examined in an effort to see if they could provide enough of a subsidy to make the fishery center a reality. Mr. Bouey believes that even those who feel that retail should not exist at Pier 45 support a fishery center. Clearly, without a developer's involvement and/or subsidy from or complement any use, a fishery center is most unrealistic.

Staff will now analyze the results of the Sedway report, analyze the comments made in the two public hearings and then bring its recommendation to the Commission.

4. **PUBLIC HEARING**

A. Public Hearing on *Revised Draft Waterfront Land Use Plan ("Revised Draft Plan")* with Proposed Port Commission Revisions, dated November 4, 1994.

Mr. Bouey stated that at the last meeting there were 31 speakers who spoke regarding the Land Use Plan. Generally, those comments were positive; although some speakers were concerned about some revisions made by Port staff; most notably, the ballpark issue. He stated that it is important that members of the public remember and realize that the Port staff, together with the Commission, has a duty and responsibility with regard to the Port and it has an obligation to make those changes that are beneficial not only to the Port but to the citizens of San Francisco. At the same time, he'd like the public to understand that staff has listened diligently to the Advisory Board. In fact, only about 5% of the plan submitted to Port staff by the Advisory Board was modified. Those suggested revisions were largely aimed at increasing public space and the quality of future development. As he previously mentioned, perhaps the most controversial issue was the inclusion of a ballpark. He again stressed that Port staff has not included a ballpark in the Revised Plan and that the Giants will put forth a proposal for a ballpark/entertainment center. Port staff has attempted to determine what the impacts on the Port and the City such a proposal would make. What is proposed is that staff evaluate a ballpark/entertainment center, look at it through the EIR process, submit it to regulatory agencies and the Port Commission. Port staff and the public would have the opportunity to comment at each step. If the Port Commission approves such a plan or proposal, it would then be submitted to the people of San Francisco for a vote. What we have attempted to do most responsibly and to address the issue head-on is a project that will have tremendous impact not only to the Port but to the City as a whole. Nonetheless, we listened to the people who spoke at the last meeting, many of whom supported the Waterfront Plan except for this one issue and will listen again today and reflect upon those comments when staff makes and submits its final revisions to the Port Commission at its January 24 meeting.

The other issue raised was the retail at fisherman's wharf. There were comments that Port staff introduced retail at fisherman's wharf. This is simply not true. The Waterfront Plan Advisory Board (WPAB) included retail in their plan; additions made by

staff include water taxis, temporary and ceremonial berthing, open space, museums, community facilities, visitors centers and transportation services. He believed that staff has tried to keep the faith as much as possible with the plan submitted by the WPAB; and staff will be meeting with the WPAB during the second week of January and to explain why we made the changes and to discuss the perspective of the WPAB on any of those changes.

The following are the public comments:

Jane Morrison thanked the Commission for postponing the vote to January 24th. She stated that for three years, the WPAB was told that they had to raise big bucks to finance the maritime industry and now they're being told that the maritime industry has very little future in San Francisco. If that is so, we don't have to have a lot of developments to raise the big bucks and keep the waterfront open to the public. Any commercial activity at the Port will bring significant profit to the Port and the developer. Baseball Stadium: the public has to decide on this issue and suggested that the Port will be better off not to bring this up as this will cause intense public controversy and attack the whole Waterfront Land Use Plan. It's in our best interest to have the land use plan adopted as quickly as possible without controversy. A high-rise baseball stadium at China Basin will seriously impact the current character of South Beach. It will bring noise, traffic, and congestion for a City who has already made a major investment in a beautiful residential area. It will block the public view and access to the water. We love baseball but there is only one bay and one waterfront which comes first. She suggested to keep all Pier 45 for the fishing industry and not to miss an opportunity to create a great fishing industry and attract a worldwide attention to the need to protect the ocean and the bay as an essential source of food. The Port should aggressively pursue the City's affirmative action goals. This commitment is important enough to be detailed in the Land Use Plan. She concluded that the Commission has the authority to make all those crucial changes in the draft; but, if they do, one can no longer say it's a plan from a citizen's view.

Howard Lazar, Director of Street Artists Program for the Art Commission stated that for the past 20 years, we have enjoyed thirteen selling spaces on Jefferson Street. He's requesting (as requested in his December 18 letter) to include the term "street artists" in the Draft Plan with the definition of the ordinance i.e. someone who creates his/her own work and certified by the Art Commission. He stated that he read through the plan and suggested four sections where he feels "street artists" should be included, most notably in the glossary and three other sections. He feels that they are a vital part of the plan and would like this included in the plan. He submitted an article from a San Francisco Downtown newspaper regarding their program.

Jack Bair, S.F. Giants, underscored the points made by Dennis Bouey. The change to the waterfront plan, in their view, is a responsible change and relatively non-controversial. Whether or not a ballpark is an appropriate land use is to be determined by the voters of San Francisco. In addition to the voters of San Francisco, the Port Commission, BCDC and the State Lands Commission all have a chance to comment on that land use decision before that land can be committed for a ballpark. He reiterated that the changes are responsible and correct and although they'd like it to be deemed an acceptable use outright, the proposed changes by the Port Commission are fair and concurs with them.

Alan Pendleton, Executive Director of San Francisco BCDC thanked the Commission for

the opportunity to provide staff comments and stated that detailed comments will also be provided in writing. He expressed his appreciation to Mr. Bouey and Commissioner Cook for meeting with the staff and their chairman and appreciates their involvement in the development of the waterfront plan. One issue he'd like to discuss is a special area plan. Special area plans are specific applications of the San Francisco Bay plan which has to be consistent with the policies of the bay plan and the bay plan in turn must be consistent with the policies enunciated. That act has three thrusts, namely: (1) Suitable areas for Port purposes are reserved for those purposes so that we do not place unnecessary fill in the bay elsewhere; (2) Development not occur on fill, if fill can be avoided; (3) Public access, at the maximum extent feasible, be included in every project along the bay. The waterfront plan amply identifies the importance of public access and has a lot of comments that will encourage and improve public access along the waterfront. In some respects, there are some vagueness about some of the uses along some of the pier structures. The last special area plan that was developed for the waterfront was started in 1973, a joint effort between the City, Port and BCDC. At that time, it was assumed that several of the Port's pier structures were reasonably sound and could be redeveloped without fill or substantial redoing of their foundations. It was later discovered that many of them were in poor shape and substantial reworking will be needed. Insofar as the waterfront plan discusses uses that may be quite fill and those uses are not water-oriented, there may be a conflict with the McAteer Act. He encouraged the Port to identify uses fairly specifically for pier structures that may require fill and to indicate in the environmental analysis what alternatives are available and how such fill will be found consistent with State law and state plan for the bay and looks forward to working with Port staff and appreciated staff's courtesy and help throughout the waterfront plan preparation.

David Goldstein, S.F. Resident, congratulated the Commission for developing, in his opinion, an appropriate balance between desire for mutual interest for a ballpark and providing the voters an opportunity to decide whether the proposal of the Giants is an acceptable use of the land.

Jeffrey Brown, sailboat owner at Mission Rock and officer at Bayview Boat Club inquired where the Commission intend to include specific support for non-profit organizations in the waterfront plan. Any mention of non-profit has been deleted from the plan. He stated that you don't have to look any further than Fort Mason to see how successful non-profit organizations can be included; they pay rent, they generate additional revenues through nearby restaurants and other support services. They meet the definition referred to as visitor attraction, mixed use development, cultural and public gathering places. They would complement new and existing neighborhoods. Non-profits can be a very diverse group of uses. He'd like to encourage the Commission to include specific reference of non-profits in the section titled General Land Use Policies for Commercial Uses.

Commissioner Cook stated that the plan does not preclude non-profits.

Commissioner Halsted commented that profit or non-profit stands for many kinds of uses. She inquired whether Mr. Brown has any particular kind of non-profits of concerned to him. Mr. Brown responded that his personal concern is the environmental/education type of organizations.

Commissioner Lee stated that he is a strong advocate for non-profit organizations and sits

on the organizations. He stated that the Commission would be more than happy to look at any non-profit organization's ideas and plans and work with staff. Commissioner Halsted cautioned that there are a lot of non-profit organizations and may not need to include all non-profit organizations.

Commissioner Cook thanked everyone for sharing their views and stated that the new comments will be taken into consideration before the final vote of the Commission on this plan. Mr. Bouey reiterated a comment made at the prior meeting that the process for this is different than the norm. Traditionally, City department staffs develop a draft plan and then take it to the public for comment. The prior administration created the citizen advisory board comprised of 27 members of the general public, who worked very hard for what was originally thought to be a six-month to one year process, but turned out to be 4 years.

5. TENANT & MARITIME SERVICES

A. Approval and Consent of Agreements pursuant to the Port and Redevelopment Agency Rincon Point-South Beach Option Agreement for portions of Port property located at Parcel M-4-C, also known as Seawall Lot 334 (between Berry and King Streets, east of Second Street).

1) Assignment and Assumption Agreement of the Port/Ship's Clerks Memorial Hall Association and The Ship's Clerks Association, ILWU, Local 34 (ILWU) lease to the Redevelopment Agency. (Resolution No. 94-154)

Mr. Bouey stated that the Redevelopment Agency, as part of its option agreement, intends to take down the area depicted on page 2 of Exhibit B. This package anticipates that takedown and does the following: (1) it assigns the ILWU lease to Redevelopment Agency. The RDA in turn, with the Port's consent, will limit the ILWU lease to the year 2035. The way it is written now is it would extend on perpetuity. Recent legal advice advises such a contract is not valid; hence, the limitation of use for the year 2035. (2) this package approves an MOU between Port and PUC for transit substation for a lease period of 55 years, for which Port will receive a pre-paid rent of $185,000.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

2) Lease Modification Agreement between the Redevelopment Agency and ILWU. (Resolution No. 94-155)

ACTION: Commissioner Halsted moved approval; Commissioner Hardeman seconded the motion. All Commissioners in favor; the resolution was adopted.

3) Letter of Understanding between the Redevelopment Agency and the Port regarding Redevelopment Agency's Waiver of Option to lease Public Transportation Commission PTC Parcel and Rent Reduction for a portion of Port parcel known as Parcel M (Parcel M-4-C). (Resolution No. 94-156)

ACTION: Commissioner Hardeman moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

B. Approval of Memorandum of Understanding between the Port of San Francisco and the Public Transportation Commission (PTC) which allows the PTC to construct a transit substation on a portion of Port property located on SWL 334 (between Berry and King Streets, east of Second Street). This agreement is for a term of 55 years (expires on December 31, 2050) and for a one time lump sum use fee to the Port of $185,000. (Resolution No. 94-157)

ACTION: Commissioner Hardeman moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; the resolution was adopted.

6. **FACILITIES & OPERATIONS**

A. Approval to enter into a professional services contract with Levine-Fricke, AGS, Inc.; a Joint Association, for architecture and engineering services for the Pier 98 Wetlands and Open Space Project. (Resolution No. 94-147)

Mr. Bouey stated that some time ago, the Port and San Francisco Bay Conservation Development Commission entered into an agreement to reserve certain areas of Pier 98 for wetlands and open space. To develop that concept, the Commission is requested to award a contract to Levine-Fricke who will be charged with developing the best approach to satisfy the agreement with BCDC and to provide the technical design services for the closure of the landfill wetlands creation and shoreline erosion control program, as well as landscape architecture.

ACTION: Commissioner Halsted moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

B. Request for approval for the Executive Director to sign an agreement with Pacific Gas & Electric Company (PG&E) for an underground electric line extension at Pier 45, with said agreement containing a clause which requires the Port to indemnify PG&E. (Resolution No. 94-144)

In response to Commissioner O'Neill's inquiry requiring the Port to indemnify PG&E, Mr. Bouey replied to the affirmative that this item and for the item that follows, is a standard language between the City and PG&E. However, since this project must be completed by May to ensure that we receive all federal monies involved (at approximately $2 million), PG&E has agreed to proceed without the indemnification agreement provided the Port Commission approves the resolution and forwards it to the Board of Supervisors.

Commissioner Cook inquired what the Commission is indemnifying for. Legal Counsel Rob Maerz responded that it relates to personal injuries as a result while working on Port property. Commissioner Cook asked if someone from Port staff will ensure the security of the worksite. Mr. Bouey mentioned that an inspector will be available to check the worksite.

ACTION: Commissioner O'Neill moved approval; Commissioner Lee seconded the motion. All Commissioners in favor; the resolution was adopted.

C. Request for approval for the Executive Director to sign an agreement with Pacific Gas and Electric Company for installation of a gas distribution facility at Pier 45, with said agreement containing a clause which requires the Port to indemnify PG&E. (Resolution No. 94-145)

ACTION: Commissioner Hardeman moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

D. Authorizing the Executive Director to Execute a Second Amendment to San Francisco Bay Conservation and Development Commission (BCDC) Permit 8-90 for Public Access and Indemnification. (Resolution No. 94-148)

Mr. Bouey stated that this completes the permit process by adding the metes and bounds for the promenade of the roadway project and adds an indemnification to BCDC for the work performed thereof.

ACTION: Commissioner Halsted moved approval; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolution was adopted.

7. **PLANNING & DEVELOPMENT**

8. **ADMINISTRATION**

9. **CONSENT CALENDAR**

ACTION: Commissioner Hardeman moved approval of all items on the Consent Calendar except Item 9F; Commissioner O'Neill seconded the motion. All Commissioners in favor; the resolutions for all items on the Consent Calendar, less Item 9F, were adopted.

A. Authorization to assign the Marine Terminal Agreement with Naviera Interamericana Naviana S.A. (Navicana) to the Pacific Steam Navigation Company. (Resolution No. 94-152)

B. Authorization to amend the three Marine Terminal Agreements with Compania Sud American de Vapores, Flota Mercante Gran Colombiana, and The Pacific Steam Navigation Company to extend their terms and to provide for five one-year options. (Resolution No. 94-94-153)

C. Amendment of Marine Terminal Agreement with Maruba S.C.A. to provide for transfer of their vessel operations from Pier 80 to Pier 94/96 and to provide an additional termination right for the Port. (Resolution No. 94-149)

D. Assignment of License with Southwest Marine Inc. to San Francisco Drydock Inc., commonly controlled corporations, generally located at 20th and Illinois Street. (Resolution No. 94-150)

E. Authorization to extend the Management Agreement for Pier 27/29 with Marine Terminals Corporation for three months under the existing terms and conditions. (Resolution No. 94-151)

F. Approving a Declaration of Emergency for Pier 35, Replacement of Fender System (Resolution No. 94-146)

Mr. Bouey stated that after a recent inspection, it was identified that the fender system at Pier 35 where the cruise ships berth is in need of serious repair. The Port carries an inventory of creosote pile, which has been traditionally used in the Bay. Recently, the Regional Water Quality Control Board (RWQCB) informed the Port, as well as other users in the bay area, that they no longer would permit the installation of wooden piles treated with creosote. In order to receive new piles in time to perform the work prior to the start of the cruise season which commences April 1, 1995, staff need to order these new files immediately. This new pile is plastic which the RWQCB has indicated is acceptable to them.

Mr. Ed Kaune, representing American Modular System, stated that they make plastic piles, made from recycled plastic. They intend to create a factory to make these piles and hire at least 100 local people. The piles they have now that they could deliver on an emergency basis are made of 10 inch, instead of 13 inch that is required in the specifications. He thinks that their pile will suffice and do an excellent job but the specifications seem to favor an east coast company and was not sure why the Port is so restrictive.

In response to Commissioner Lee's inquiry whether the east coast piles are wood or plastic, Mr. Kaune responded that they are indeed plastic. In response to Commissioner O'Neil's inquiry if Mr. Kaune's bio-lumber is used anywhere else, Mr. Kaune replied that it is being used at the New York City Port. Commissioner Halsted stated that the Port is looking for piles for the emergency work at Pier 35 in the spring and will need more piles in the future to replace the creosote piles. She pointed out that this is short-term decision and Mr. Bouey concurred that this is small contract. Mr. Bouey stated that the speaker is correct that the Port issued a specification, to which it appears that at the moment, their product does not meet the specifications but may qualify in the future with some minor changes. One of the problems, however, is they do not make the piles in the correct length and they would have to splice a couple of piles together, which may or may not deliver the necessary strength. With the cruise industry, this is not an area where we want to make any mistakes and take chances. He stated that the Port look forward to working with Mr. Kaune's company and reiterated that the Port will be replacing a lot of piles. Commissioner Halsted commented that the Port, in the long run, should be looking at local manufacturers. Mr. Kaune stated that this would give them an opportunity as they have a local company that would like to joint venture with them.

Commissioner Cook stated that the Commission is concerned about local jobs and local industries and thanked Mr. Kaune and his company for their interest. He invited them to come back and bid as the Port has a massive need for replacement of piles.

ACTION: Commissioner O'Neill moved approval; Commissioner Halsted seconded the motion. All Commissioners in favor; the resolution was adopted.

G. Approval of two (2) leases with Bruce Waygood, an individual, dba Flipway Products,

for Shed Space, Walled Shed Space and Outside Storage Space at Pier 46B. (Resolution Nos. 94-159-160)

10. **NEW BUSINESS**

11. **EXECUTIVE SESSION**

At 5:05 p.m., Legal Counsel Julie Van Nostern announced that the Commission will withdraw to executive session to discuss the following matters:

A. PUBLIC EMPLOYEE APPOINTMENT

1) Confirmation of Appointment of Director of Administration.

2) Confirmation of Appointment of Manager of Marketing

An executive session of these matters are specifically authorized under California Government Code Section 54957.

B. CONFERENCE REGARDING CLAIM AND LITIGATION MATTERS

1) Application for Permission to Present a Late Claim - Hugo Juarez

An executive session is calendared for discussion and for action regarding the application for permission to present a late claim by Hugo Juarez. An executive session is specifically authorized under California Government Code Section 54956.9 subsection (C). (Resolution No. 94-158)

2) Kraal v. CCSF, Superior Court No. 943-927

The City Attorney's office is of the opinion that based on existing facts and circumstances, discussion of this matter in open session would prejudice the legal position of the Port. An executive session is specifically authorized under California Government Code Section 54956.9, Subdivision (a).

3) Conference with Legal Counsel - Anticipated Litigation

Motion that Port Commission meet in closed session to confer with Counsel to *consider initiation of litigation* pursuant to California Government Code Section 54956.9 subdivision (c). (3 cases).

C. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lots 348 and 347S, Eastside of Steuart Street between Folsom and North of Howard Streets (known as Rincon Point Park)
Person Negotiating:
Port of San Francisco Representative: Dennis Bouey, Executive Director
San Francisco Redevelopment Agency Representative: Clifford Graves, Director

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the San Francisco Redevelopment Agency regarding

Rincon Point Park. This is specifically authorized under California Government Code Section 54956.8

D. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property located at Seawall Lot 344 adjacent to Cargo Way.
Person Negotiating: Port representative: James Lazarus, Director-Special Projects
AES Representative: Bob Muir

An executive session has been calendared to discuss real property negotiations between the Port and AES, a California corporation regarding Cogeneration Plant. This is specifically authorized under California Government Code Section 54956.8.

E. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: Port property at Container Terminal South (Piers 94-96, adjacent to Seawall Lot 352) and Container Terminal North (Pier 80, Army Street Terminal)
Person Negotiating:
Port of San Francisco Representative: James Lazarus, Director Special Projects
Port of Oakland Representative: Leo Brien, Director of Maritime

An executive session has been calendared to discuss real property negotiations between the Port of San Francisco and the Port of Oakland regarding Piers 94-96. This is specifically authorized under California Government Code Section 54956.8

F. Vote in open session on whether to disclose Executive Session discussions (Motion) (S.F. Admin. Code Sec. 67.14)

ACTION: Commissioners Cook, Halsted, O'Neill, Lee and Hardeman returned from executive session and convened in public session at 7:30 p.m. Commissioner Halsted moved approval to not disclose any information discussed in the executive session; Commissioner Hardeman seconded the motion. All Commissioners in favor. Meeting was adjourned at 7:22 p.m.